

MEDIA RELEASE

01 JULY 2020

ARCELORMITTAL SOUTH AFRICA RESPONDS TO INACCURATE NEASA STATEMENT

Johannesburg, 10 July 2020: ArcelorMittal South Africa wishes to place on record that the information in the NEASA statement of 30 June 2020, entitled “APPLICATION FOR THE INTRODUCTION OF 120% SAFEGUARD DUTIES ON LONG PRODUCTS” is inaccurate and misleading. ArcelorMittal South Africa denounces in the strongest terms the continued and malicious spreading of misinformation which is not in the best interest of the South African steel sector.

ArcelorMittal South Africa has not approached the International Trade Administration Commission of South Africa (ITAC) to ask for safeguards on long steel products in general. Rather, ArcelorMittal South Africa has, in collaboration with Evraz Highveld Steel, applied for safeguards on structural steel products produced in the Highveld Structural Mill, being the only producer of these products in the country. For a sense of proportion, structural steel products represent only 5% of the long steel products market in South Africa.

The joint application did not ask for a 120% safeguard duty. In fact, the application does not propose any level for the safeguard duty at all. Instead, a safeguard application simply presents the facts and, based on those facts and after a comprehensive investigation, ITAC will decide whether to grant a safeguard and, if so, at what level it should be placed.

ArcelorMittal South Africa remains convinced that safeguards are an essential part of the suite of protection measures that are in place to protect the entire South African steel industry from imports. The global oversupply of steel has been exacerbated by a significant drop in demand due to the Covid-19 pandemic and protectionist measures taken by other regions, for example USA and EU, leading to more steel being transported long distances. This rationale is outlined in detail in ITAC’s initiation of the investigation related to the safeguard application.

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