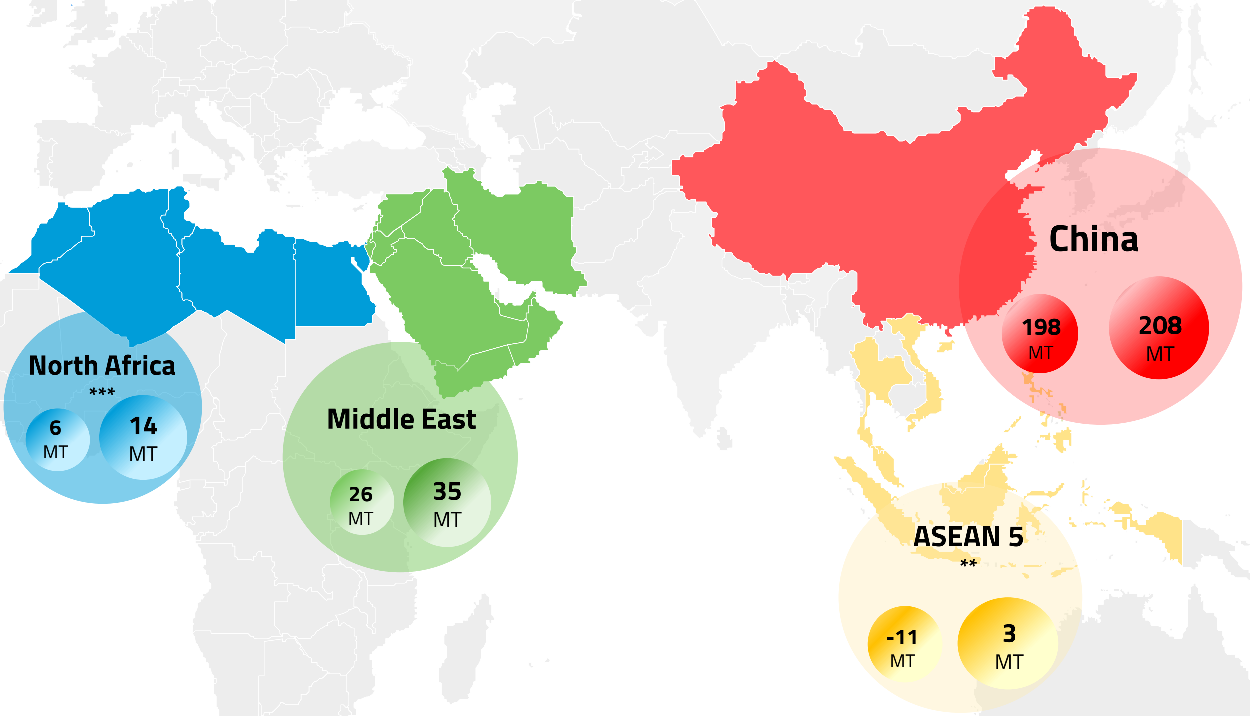
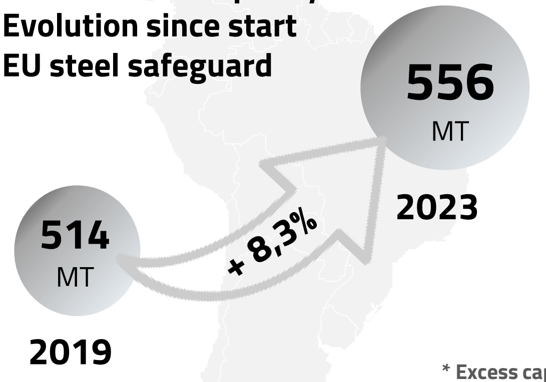
Worsening Steel Excess Capacity *: Regional proliferation beyond and in addition to China

2023 compared to **2019** (in million tonnes)

A **new, regional dimension of excess steel capacity** is developing beyond and in addition to China concentrated in **Southeast Asia, the Middle-East** and **North Africa**. The pursuit of economic development and exports goals is prompting massive steel capacity expansions in emerging and developing economies



World excess capacity Evolution since start EU steel safeguard



* **Excess capacity** = Steel capacity (nominal crude steel, OECD) – Steel demand (apparent steel use crude equivalent, World Steel, Steel demand 2023 EUROFER estimation)

** **ASEAN 5**: Indonesia, Malaysia, Philippines, Thailand, Vietnam

*** **North Africa**: Algeria, Egypt, Morocco

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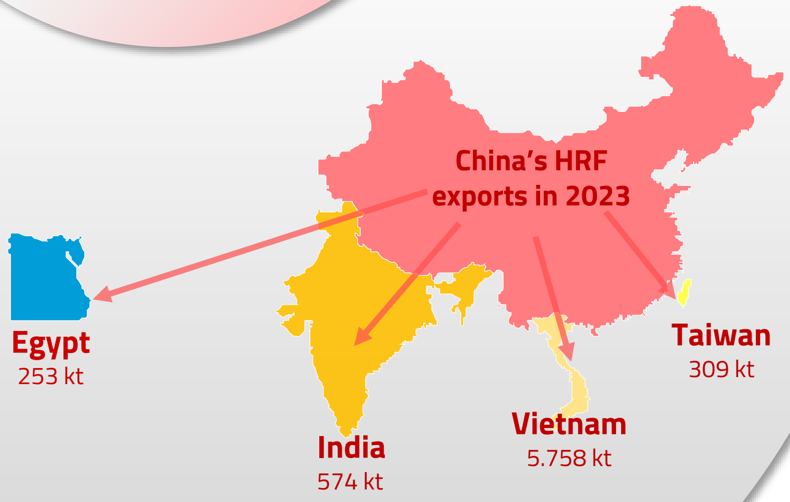
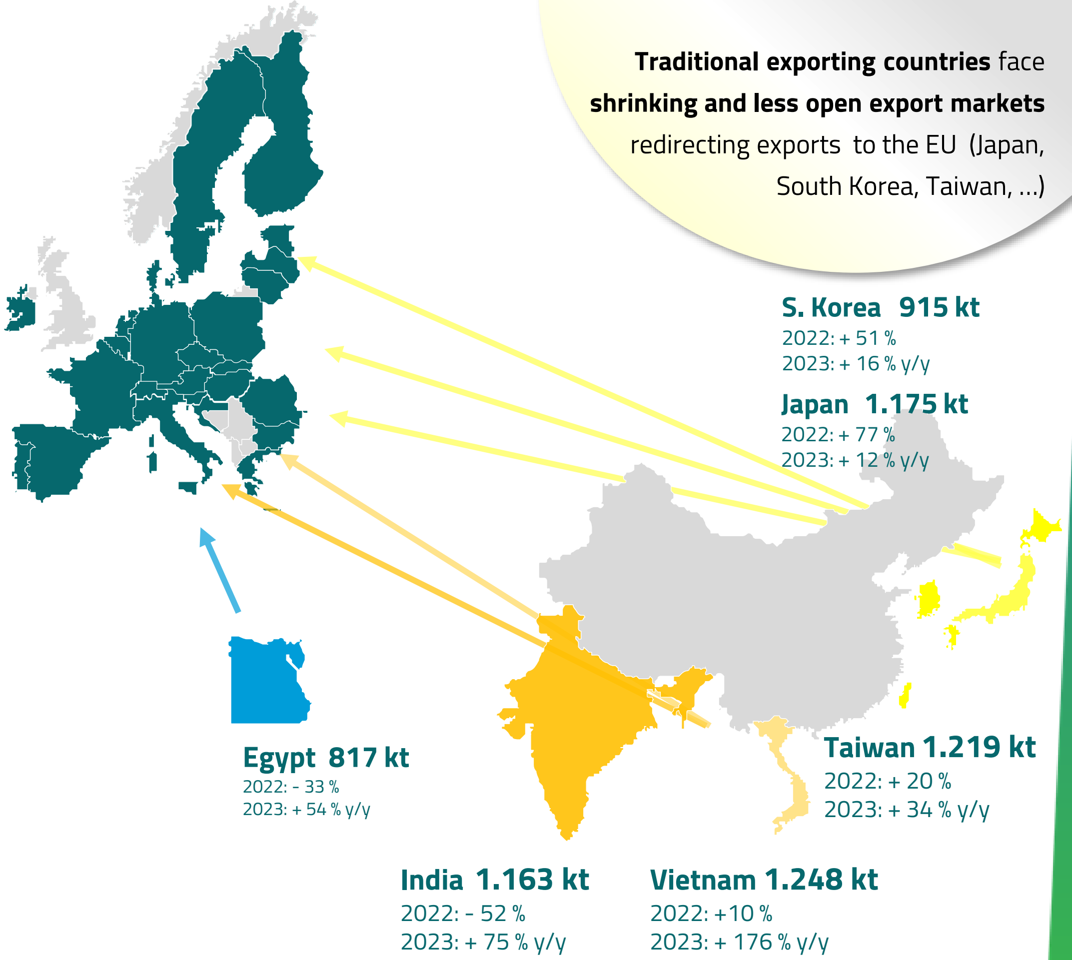
New Dynamics of Global Excess Steel Capacity: the Case of Hot-Rolled Flat (HRF)

Chinese export surges pushing third countries toward the EU

In 2023, **China exported 94 million tonnes of steel** (close to historical record levels), of which **21,5 million tonnes of HRF, including to countries that have further increased their exports to the EU**, such as **Egypt, India, Vietnam and Taiwan**

Traditional exporting countries face **shrinking and less open export markets** redirecting exports to the EU (Japan, South Korea, Taiwan, …)





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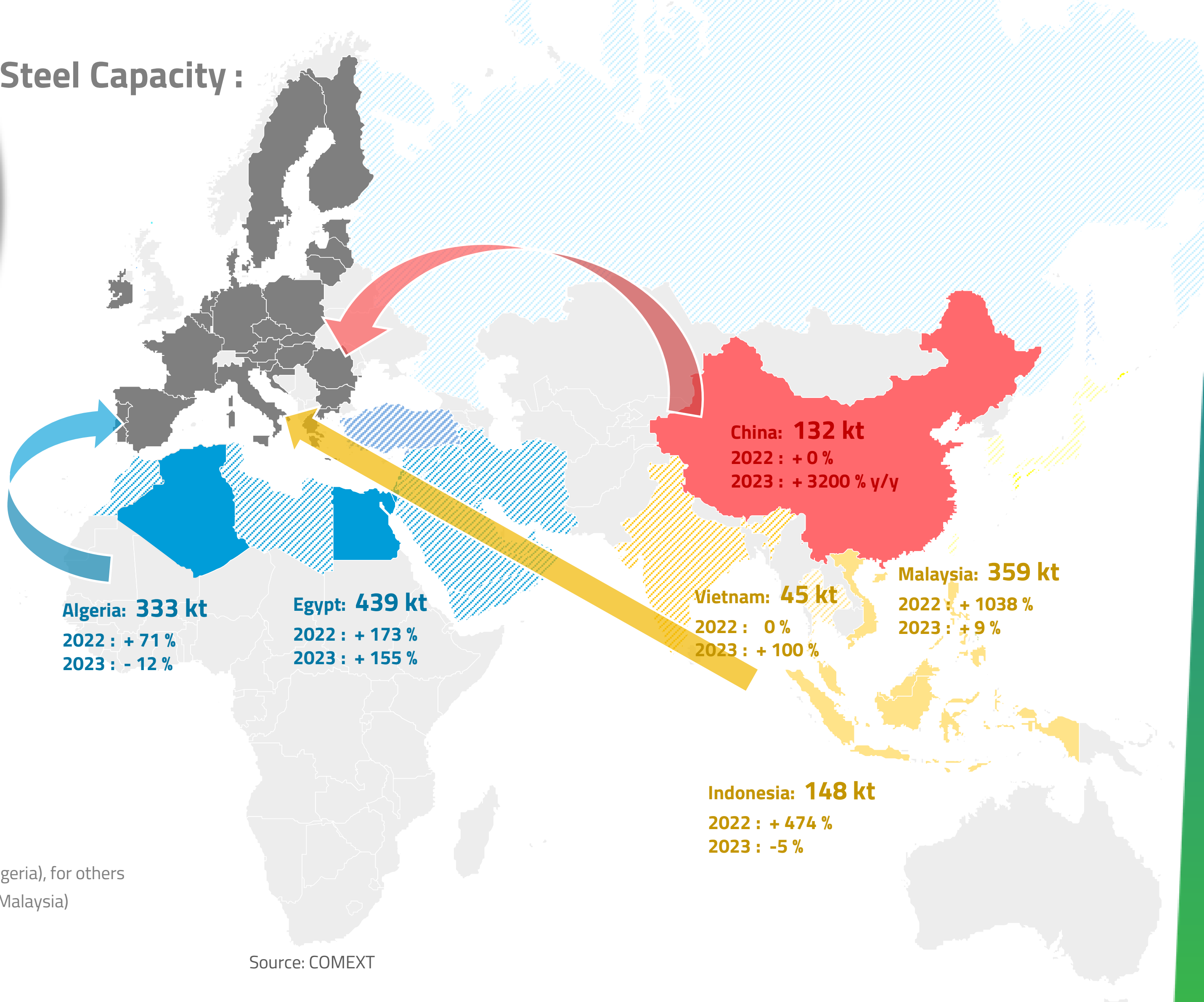
Source: COMEXT and Trade Data Monitor

New Dynamics of Global Excess Steel Capacity :

The case of Rebars and Wire Rod

Since 2021*, EU imports of **Rebars and Wire Rod** have significantly **increased from the** following countries: **Egypt, Algeria, Malaysia, Indonesia, China and Vietnam.**



* For some countries, the increase occurred in 2022 (Indonesia and Algeria), for others in 2023 (Vietnam and China), and for others in both years (Egypt and Malaysia)

Source: COMEXT

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