April 24, 2017

VIA EDIS and HAND DELIVERY

The Honorable Lisa R. Barton  
Secretary  
U.S. International Trade Commission  
500 E Street, S.W.  
Washington, D.C. 20436

NON-CONFIDENTIAL VERSION

Inv. Nos. 701-TA-573-574 and 731-TA-1349-1358  
(Preliminary)  
Total Pages: 43  
Confidential Business Information  
Appears on pages 6 to 9, 12, and 13

Re: Carbon and Certain Alloy Steel Wire Rod from Belarus, Italy, Korea, Russia, South Africa, Spain, Turkey, Ukraine, United Arab Emirates, and United Kingdom: Post-Conference Brief

Dear Secretary Barton:

On behalf of Ferriere Nord S.p.A (“Ferriere Nord”), we hereby submit Ferriere Nord’s Post-Conference Brief in the above referenced proceeding.

In accordance with 19 C.F.R. § 201.6(b), Ferriere Nord requests that factual information contained in single brackets on pages 6 through 9, 12 and 13, in this Post-Conference Brief be accorded proprietary treatment. The business proprietary information contained in the brief, clearly identified by means of single brackets, has already been designated by the Commission as business proprietary as it involves company responses to Commission questionnaires, or other information released to Ferriere Nord’s counsel under administrative protective order. To the best of our knowledge, the designated business proprietary information involves business or trade secrets concerning the import data; or other such business information the release of which to the public would cause substantial harm to the competitive position of the submitter. As to any or all other information designated as business proprietary, we additionally affirm that the release of such information would cause substantial harm to the competitive position of Ferriere Nord or the submitter. A certification that substantially identical information is unavailable to the public is attached.

DCACTIVE-34244645.1
In accordance with 19 C.F.R. § 201.8(b), Ferriere Nord electronically file and manual submit nine copies of the non-confidential version of the Post-Conference Brief. Copies of the submission are being served on all parties in accordance with the attached public Certificate of Service.

If you have any questions about this submission, please contact the undersigned.

Respectfully submitted,

[Signature]

Daniel J. Cannistra
Benjamin Blase Caryl
Yun Gao
Counsel to Ferriere Nord S.p.A
CERTIFICATION OF COUNSEL

In accordance with 19 C.F.R. § 201.6(b)(3)(iii), I, Benjamin Blase Caryl, of Crowell & Moring LLP, counsel to Ferriere Nord, S.p.A. ("Ferriere Nord"), hereby certify that information substantially identical to the information for which confidential treatment is requested is not available to the public.

In accordance with 19 C.F.R. § 207.3(a), I further certify that (1) I have read the attached submission; (2) based on the information made available to me by Ferriere Nord, I have no reason to believe that this submission contains any material misrepresentation or omission of fact; and (3) the information contained in this submission is complete and accurate to the best of my knowledge.

Dated: April 21, 2017

[Signature]
Benjamin Blase Caryl

Subscribed and sworn to before me

This 21st day of April, 2017

[Signature]
Karen Marie Parsons
Notary Public

My Commission Expires: [Signature]
CERTIFICATE OF SERVICE

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April 24, 2017
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I. Introduction and Summary of Argument

On behalf of Ferriere Nord S.p.A. ("Ferriere Nord"), and in accordance with 19 C.F.R. § 207.15, and the scheduling notice published in the Federal Register on April 3, 2017\(^1\), we hereby submit this post-conference brief in the preliminary investigation on Carbon and Certain Alloy Steel Wire Rod ("CASWR") From Belarus, Italy, Korea, Russia, South Africa, Spain, Turkey, Ukraine, United Arab Emirates, and United Kingdom, Inv. No. 701-TA-573-574 and 731-TA-1349-1358 (Preliminary). For the reasons discussed below, imports from Italy subject to the countervailing duty ("CVD") investigation (hereinafter "subject imports from Italy") are negligible pursuant to 19 U.S.C. § 1677(24):

- Subject imports from Italy account for only 2.5 percent of total CASWR imports from March 2016 through February 2017 and, thus, presently negligible;

- There are no other negligible subject import sources for the CVD investigation, rendering the aggregated exception to the statute inapplicable; and

- There is no potential that subject imports from Italy will imminently account for more than 3 percent of the volume of imports of CASWR over a 12-month period, something that has never happened during the period of investigation ("POI"). The Italian CASWR industry has [ ] capacity utilization, [ ] internal consumption, focuses exports on nearby regional markets, with only sporadic and small exports to the U.S. market.

Thus, we respectfully submit that the Commission should terminate its CVD investigation of subject imports from Italy at the preliminary stage.

Even if the Commission were to find that subject imports from Italy were not negligible for its threat analysis, the Commission must consider imports from Italy separately from subject

\(^1\) Carbon and Certain Alloy Steel Wire Rod From Belarus, Italy, Korea, Russia, South Africa, Spain, Turkey, Ukraine, United Arab Emirates, and United Kingdom; Institution of Antidumping and Countervailing Duty Investigations and Scheduling of Preliminary Phase Investigations, 82 Fed. Reg. 16,232 (April 3, 2017).
imports from Turkey for the CVD investigation. If the Commission undertakes this analysis, the only reasonable conclusion is that subject imports from Italy do not threaten the domestic industry with imminent material injury.

II. The Commission Must Terminate its CVD Investigation of CASWR from Italy

A. Applicable Legal Standards

In the preliminary investigation, the statutes require the Commission to determine, based upon the information available at the time, whether there is a reasonable indication that a domestic industry is materially injured or threatened with material injury, or that the establishment of an industry is materially retarded by reason of subject imports that are not negligible. If the Commission finds that dumped or subsidized subject imports from a particular country are negligible, the statutes require that pertinent investigation be terminated. The Commission must make independent negligibility determinations in parallel antidumping ("AD") and CVD investigations pursuant to the separate provisions of the statute, the practice of which has long been established based on the Commission’s precedents.


If the Commission finds that imports of the subject merchandise are negligible or otherwise makes a negative determination under this paragraph, the investigation shall be terminated.

Id.

Cold-Rolled Steel Flat Products from Brazil, China, India, Japan, Korea, Netherlands, Russia, and the United Kingdom, Inv. Nos. 701-TA-540-544 and 731-TA-1283-1290 (Preliminary), USITC Pub. 4565 (September 2015) (The Commission found dumped imports from Netherland is negligible and terminated the AD investigation of such imports, and found subsidized imports from India is negligible in the CVD investigation for purposes of material injury but not negligible for threat, while separately considered dumped imports from India together with subject imports from other countries in the AD investigation). See Also Certain Steel Nails from India, Korea, Malaysia, Oman, Taiwan, Turkey, and Vietnam, Inv. Nos. 701-TA-515-521 and 731-TA-1251-1257 (Preliminary), (Continued...)
In applying the standard, the Commission determines whether: “(1) the record as a whole contains clear and convincing evidence that there is no material injury or threat of such injury of alleged unfairly trade imports; and (2) no likelihood exists that contrary evidence will arise in a final investigation.” The purpose of the preliminary determinations is to avoid the cost and disruption to trade caused by unnecessary investigations and that the “reasonable indication” standard requires more than a finding that there is a “possibility” of material injury. The law “calls for a reasonable indication of injury, not a reasonable indication of need for further inquiry.”

The statute defines negligible imports as “imports from a country of merchandise corresponding to a domestic like product identified by the Commission...{that} account for less than 3 percent of the volume of such merchandise imported into the United States in the most recent 12-month period for which data are available that precedes... the filing of the petition.”

The statute further provides that subject imports from a single country that comprise less than 3 percent of total such imports of the product may not be considered negligible if there are several

USITC Pub. 4480 (July 2014) (The Commission applied different negligibly threshold ratio to subject imports from India in the AD and CVD investigations, and separately found that both dumped imports and subsidized imports from India are negligible and terminated both AD and CVD investigations of such imports.)

Cold-Rolled Steel Flat Products from Brazil, China, India, Japan, Korea, Netherlands, Russia, and the United Kingdom, Inv. Nos. 701-TA-540-544 and 731-TA-1283-1290 (Preliminary), USITC Pub. 4564 (September 2015) at 3 (citing American Lamb Co. v. United States, 785 F.2d 994, 1001-04 (Fed. Cir. 1986)); see also Texas Crushed Stone Co. v. United States, 35 F.3d 1535, 1543 (Fed. Cir. 1994).

American Lamb Co., 785 F.2d, at 1001-02 (Fed. Cir. 1986).

Id.

countries subject to investigation with negligible imports and the sum of such imports from all
those countries collectively accounts for more than 7 percent of the volume of all such
merchandise imported into the United States.\textsuperscript{10}

B. Subject Imports from Italy are Negligible

As explained below, subject imports from Italy have been negligible throughout the POI
and will remain so going forward.

1. Subject Imports from Italy are Presently Negligible

In determining negligibility in the CVD investigation, the relevant twelve-month period
is March 2016 through February 2017.\textsuperscript{11} During the negligibility period, subject imports from
Italy accounted for 44,558 short tons, or 2.53 percent, of total CASWR imports.\textsuperscript{12} Being less
than 3 percent of total CASWR imports, subject imports from Italy are presently negligible under

2. The Aggregated Statutory Exception to Negligibility Does Not Apply
to Subject Imports from Italy

None of the statutory exceptions to negligibility apply to subject imports from Italy.
Only Turkey and Italy are subject to the CVD investigation. Subject imports from Turkey during
the negligibility period accounted for 69,775 tons, or 4.53 percent, of total CASWR imports.
Thus, the exception under 19 U.S.C. § 1677(24)(A)(ii) for aggregated individual negligible
subject countries does not apply to the CVD investigation.


\textsuperscript{12} See Exhibit 1: see also Petition at Exhibit I-13.
3. There is No Potential that Subject Imports from Italy Will Imminently Exceed 3 Percent of Total Imports

The statute provides a limited exception to the 3 percent negligibility standard, which is applicable only to a threat of material injury determination. If a country’s import share is below the 3 percent threshold during the negligibility period, its imports may nevertheless be considered non-negligible only for purposes of the threat determination if the Commission determines that there is “...a potential that imports from a country described in clause (i) will imminently account for more than 3 percent of the volume of all such merchandise imported into the United States...”\(^{13}\) To assess the potential for imports imminently to surpass the negligibility threshold for purposes of a threat analysis, the Commission typically has examined the share of total imports, production capacity, capacity utilization, and inventories.\(^{14}\) Moreover, in determining “imminent” for assessing the negligibility provision of the statute, the Commission considers a time period of less than one year with respect to CASWR.\(^{15}\)

As discussed below, there is no potential that subject imports from Italy will imminently exceed 3 percent of total imports for a sustained twelve-month period, based on record import

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\(^{14}\) See Cold-Rolled Steel Flat Products from Brazil, China, India, Japan, Korea, Netherlands, Russia, and the United Kingdom, Inv. Nos. 701-TA-540-544 and 731-TA-1283-1290 (Preliminary), USITC Pub. 4565 (September 2015); Certain Steel Nails from India, Korea, Malaysia, Oman, Taiwan, Turkey, and Vietnam, Inv. Nos. 701-TA-515-521 and 731-TA-1251-1257 (Preliminary), USITC Pub. 4480 (July 2014); Certain Steel Concrete Reinforcing Bars from Belarus, China, Korea, Latvia, and Moldova, Inv. Nos. 731-873-874 and 877-879 (Final), USITC Pub. 3372 (Nov. 2000).

data, the Italian industry’s capacity utilization and focus on internal consumption and local markets.

Subject imports from Italy accounted for 2.53 percent of total CASWR imports during the negligibility period. As shown in Exhibit 1, subject imports from Italy did not reach 3 percent of total CASWR imports during any twelve-month period of the period of investigation (“POI”) of January 2014 through March 2017. Subject imports from Italy accounted for only 0.02 percent of imports in 2014, 0.01 percent in 2015, and 1.86 percent in 2016.

Similarly, subject imports from Italy never exceeded 3 percent of total imports in any six-month period of the POI, except for the September 2016 through February 2017 period, in which subject imports from Italy reached 3.9 percent. During that six-month period, however, subject imports from Italy continued to fluctuate from month to month, entering in four of the six months, and have decreased since November 2016. In fact, subject imports from Italy were zero in February 2017, the most recent month of the negligibility period. As the data indicates, subject imports from Italy were sporadic throughout the POI, with imports in only 12 of the 38 months of the POI. In contrast, subject imports from Turkey were present in the U.S. market in 34 of 38 months of the POI. Thus, even the most recent six-month period, based purely on the import data, does not indicate an upward trend that indicates that subject imports from Italy have the potential to imminently exceed the 3 percent threshold for a sustained, twelve-month period.

The Italian CASWR industry’s responses and supplemental data contained herein further demonstrate that there is no potential that subject imports from Italy will imminently exceed the 3 percent threshold. As discussed in detail below, the Italian CASWR industry has [

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16 Exhibit 1.

17 Id.
capacity utilization, produces a [   ] of its production for internal consumption or transfers, and has no history of a significant presence in the U.S. market.

The below table summarizes the Italian CASWR's industry's trade and production data, based on Table II-10 of the foreign producers' questionnaire responses. We believe that this table provides near-complete coverage of the Italian CASWR industry, including its exports to the United States.

**Italian CASWR Industry:**

<table>
<thead>
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<th>Item</th>
<th>Actual Experience</th>
<th>Projections</th>
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<tr>
<td></td>
<td>Calendar year</td>
<td>Calendar year</td>
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<tr>
<td></td>
<td>2014</td>
<td>2015</td>
</tr>
<tr>
<td>Average production capacity</td>
<td>[   ]</td>
<td>[   ]</td>
</tr>
<tr>
<td>Beginning-of-period inventories</td>
<td>[   ]</td>
<td>[   ]</td>
</tr>
<tr>
<td>Production</td>
<td>[   ]</td>
<td>[   ]</td>
</tr>
<tr>
<td>Home market shipments:</td>
<td>[   ]</td>
<td>[   ]</td>
</tr>
<tr>
<td>Internal consumption/transfers</td>
<td>[   ]</td>
<td>[   ]</td>
</tr>
<tr>
<td>Commercial shipments</td>
<td>[   ]</td>
<td>[   ]</td>
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<tr>
<td>Exports to the United States</td>
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<tr>
<td>Exports to all other markets</td>
<td>[   ]</td>
<td>[   ]</td>
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<tr>
<td>Total exports</td>
<td>[   ]</td>
<td>[   ]</td>
</tr>
<tr>
<td>Total shipments</td>
<td>[   ]</td>
<td>[   ]</td>
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<tr>
<td>End-of-period inventories</td>
<td>[   ]</td>
<td>[   ]</td>
</tr>
<tr>
<td>Capacity Utilization Rate (%)</td>
<td>[   ]</td>
<td>[   ]</td>
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<tr>
<th>Percent of Total Shipments</th>
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<tr>
<td>Exports to the United States</td>
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<tr>
<td>Exports to all other markets</td>
</tr>
<tr>
<td>Total exports</td>
</tr>
<tr>
<td>End-of-period inventories</td>
</tr>
</tbody>
</table>

Note 1: Data is compiled from foreign producer/Exporter's questionnaire responses submitted by (1) |

|   | See below at 9-10 and Exhibit 2 |

Note 2: |
As the above table demonstrates, the Italian CASWR industry operates at a [ ] capacity utilization rate and internally consumes a [ ] of its production. The Italian industry’s exports focus on nearby regional markets, not the United States. In particular, Ferriere Nord, which [ ], operates at [ ] capacity and internally consumes [ ] of its production. Overall, though the Italian CASWR industry had some technical excess capacity and inventories during the POI, it was never used to increase exports to the United States. There is no record support to indicate that something has changed that would lead Italian exporters to imminently begin to export above-negligible volumes to the United States.

Petitioner’s allegation that [ ] is inaccurate for several reasons. There is no Italian producer that plans to increase production capacity. The aggregated production capacity of subject merchandise from Italy has been stable throughout the POI and is projected to remain so. See above table.

Though Fin.Fer. S.p.A., the company that owns Ferriere Nord and Acciaierie di Verona (“Verona”), has planned investments to modernize the CASWR rolling plant at Verona, but its CASWR production capacity will remain unchanged. Specifically, Verona plans on demolishing certain facilities this spring to rebuild modern facilities with similar quantity

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18 See Italian Foreign Producers’ Questionnaire Responses at II-10.
19 Ferriere Nord Foreign Producers’ Questionnaire Response at 8.
20 Petition at 19 and Exhibit I-15.
capacity levels, but increased quality production. This project is projected to be complete by 2020. Further, Verona’s production will be sold to Italian customers and other affiliates for the production of downstream products (e.g., electrowelded meshes and concrete reinforcing products).

[ ]

}. Aferpi was an Italian CASWR producer based in Piombino, Tuscany. Several years ago, Lucchini, a large Italian steel conglomerate, sold the plant to Russian steel producer Severstal. Most recently, after going through Italian bankruptcy proceedings, the Italian government sold the Piombino plant (today named Aferpi) to Cevital, an Algerian steel company owned by Issad Rebrab. Under the purchase agreement, Cevital was obligated to make significant investments in Aferpi, to build new production lines, clean-up the site and to maintain all of the jobs.

Petitioners cite an [ ] In reality, however, the Aferpi refurbishment has not even begun. Cevital is unable to obtain the necessary financing for the project. In July, after an Italian labor law’s protections expire, Cevital will likely lay off thousands of Aferpi workers. 22 Just this week, the Italian government gave Cevital a formal notice to make the obligated investments in Aferpi or the Italian government will take Aferpi back and attempt to find new investors. 23 If the Italian

22 See Il Fatto Quotidiano, April 19, 2017, “Rebrab does not keep its promises. 2200 jobs are at risk” (original and translation appended herein in Exhibit 2).

government finds new investors, a process which itself would likely take many months or even years, such new investors would need years to plan, design, and construct the a new CASWR facility in place of the mothballed one at Aferpi. Even if such investors were eventually identified, it is unlikely that they would use the Aferpi facility for the manufacture of CASWR. Indeed, the President of the Italian Steelmakers Association ("Federacciai") recently stated that the Piombino mill has historically operated at a loss any "investments in the wire rod and rebar lines \(\text{of Aferpi}\) would not pay back.\(^{24}\)

Thus, there is no possibility that Aferpi could imminently produce CASWR and export it to the United States, much less in sustained non-negligible volumes.

Finally, given that the parallel AD investigation is likely to proceed under 19 U.S.C. §1673(b)(a)(1), there is no potential that subject imports from Italy would increase, much less increase to above-negligible levels, in the imminent future.

Accordingly, the Commission must conclude that subject imports from Italy are negligible and terminate the CVD proceeding as to Italy.

C. **Subject Imports from Italy do Not Threaten the Domestic Industry with Material Injury**

Because subject imports from Italy are negligible, and will remain so, the Commission may only consider Italian imports separately from other subject countries in any threat determination. For the reasons explained below and addressed above in Section II.B., cumulation of subject imports from Italy with subject imports from Turkey would be both


\(^{24}\) See Il Tirreno, April 21, 2017, "Aferpi, that plan did not make any sense – The President of Federacciai: it was clear that Algerian law would have not permitted to Rebrab to move the necessary funds" (original and translation appended herein Exhibit 2)
unlawful and improper. Thus, the Commission should not cumulate subject imports from Italy with other subject imports for any threat determination. Finally, subject imports from Italy have been, and will continue to be, too small to threaten any injury to the U.S. industry.

1. The Commission Must Separately Consider Subject Imports From Italy If It Finds Them to be Non-Negligible for Threat Analysis

Ferriere Nord respectfully submits that the Commission lacks the authority to cumulate negligible imports for assessing threat of material injury, for the same reasons that it cannot cumulate negligible imports in its material injury determination. It is the Commission’s practice to not consider the impact of negligible imports on the domestic industry when considering present injury. The Commission’s practice in this regard comports with the statute and the SAA, which states:

New section 771(7)(G)(ii) modifies existing law by creating two new exceptions to the general rule on cumulation... The second new exception is that imports that are the subject of terminated investigations may not be cumulated. This exception also implements the requirement of the Agreements that negligible or de minimis imports not be cumulated.

This statutory prohibition reflects a policy judgment of the U.S. government and its trading partners that it would be fundamentally unfair and inaccurate to determine, on one hand, that negligible imports can have no impact on the domestic industry on their own, but determine

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25 See, e.g., Certain Cold-Rolled Steel Flat Products from Brazil, China, India, Japan, Korea, Netherlands, Russia, and the United Kingdom, Inv. Nos. 701-TA-540-544 and 731-TA-1283-1290 (Preliminary), USITC Pub. 4564 (Sept. 2015) at 13-15.

26 The Uruguay Round Agreements Act Statement of Administrative Action, H.R. No. 103-316 (1994) (“SAA”) at 849 (emphasis added). The SAA makes it clear that this exception, contained in subsection (7)(G)(ii), was also intended to prohibit the Commission from cumulating imports with respect to which the Commerce Department reached a negative determination. It is this latter aspect of this exception that applies to the aggregation provisions contained in 19 U.S.C. § 1677(2)(A)(ii) and (iv).
on the other hand that those same imports do impact the domestic industry as part of the larger group of non-negligible imports. This point is particularly relevant in the context of this investigation where the U.S. market share of subject imports from Italy never exceeded 3 percent of the total U.S. imports.  

The same considerations that prohibit the Commission from cumulating negligible imports in the context of a present injury determination also require the Commission to not cumulate presently negligible imports for purposes of threat. The statute and the SAA apply the same exceptions to cumulation in the context of present injury to the context of threat and thereby prohibit cumulation of presently negligible imports for purposes of threat.

Thus, if the Commission finds that subject imports from Italy are technically non-negligible for its threat analysis, the Commission must not cumulate subject imports from Italy with subject imports from Turkey.

2. **Italian CASWR Imports Do Not Threaten the U.S. Industry with Material Injury**

As mentioned above, subject imports from Italy accounted for only 2.5 percent of total imports during the twelve-month negligibility period, and were never even close to reaching 3 percent of total imports during the 2014 through 2016. *See above* at Section II.B. and Exhibit I. Subject imports from Italy have been, and will continue to be, too small to threaten any injury to the U.S. industry. Moreover, the Italian CASWR industry operates at [ ] production capacity utilizations, [ ] on production for internal consumption, and has not

---

27 Petition at Exhibit I-9.

28 19 U.S.C. § 1677(7)(H) (stating that the exceptions contained in subsection (7)(G)(ii) apply with equal force in the threat context); SAA at 850 ("{E}ach of the conditions and exceptions to potential cumulation that apply in a material injury analysis... apply in threat analyses.").
produced or shipped excess capacity to the United States. Petitioners did not include [ ] regarding subject imports from Italy.\textsuperscript{29} In any threat analysis of subject imports from Italy, the Commission must ensure that it does not attribute any threatened impact caused by other non-negligible imports—including not only subject imports from Turkey but non-subject imports accounting for over 90 percent of all imports—to the miniscule volume of subject imports from Italy. \textit{See above} at Sections II.B.

Thus, there is no likelihood of an imminent substantial increase of subject imports from Italy sufficient to threaten material injury to the domestic industry.

\textbf{III. Conclusion}

For the foregoing reasons, the Commission should determine that imports of carbon and alloy steel wire rode from Italy are negligible and pose no threat to the domestic industry, and should terminate the CVD investigation as to Italy at this preliminary stage.

Respectfully submitted,

\begin{center}
\begin{footnotesize}
Daniel J. Cannistra  
Benjamin Blase Caryl  
Yun Gao  
\textsc{crowell \& Morling LLP}  
\textit{Counsel to Ferriere Nord S.p.A.}
\end{footnotesize}
\end{center}

\textsuperscript{29} \textit{See} Petition at Exhibit I-12.
List of Exhibits

<table>
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<th>Description</th>
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</thead>
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</tr>
<tr>
<td>Exhibit 2</td>
<td>Italian CASWR Industry Articles</td>
</tr>
</tbody>
</table>
Exhibit 1

Negligibility Import Data
### US Imports of CASWR (Kilograms)

#### 2014

<table>
<thead>
<tr>
<th>Country</th>
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<th>AUG</th>
<th>SEP</th>
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<th>NOV</th>
<th>DEC</th>
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<th>% Share</th>
</tr>
</thead>
<tbody>
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<td>0</td>
<td>0</td>
<td>25,580</td>
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<td>235,600</td>
<td>0</td>
<td>3,099</td>
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<td>314,279</td>
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<td>811,740</td>
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<td>30,478,932</td>
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<td>25,561,140</td>
<td>190,596,064</td>
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</tr>
<tr>
<td>All Others</td>
<td>143,857,564</td>
<td>98,326,694</td>
<td>133,666,448</td>
<td>216,706,575</td>
<td>167,826,279</td>
<td>105,288,809</td>
<td>91,970,281</td>
<td>92,129,750</td>
<td>117,381,928</td>
<td>94,461,985</td>
<td>82,771,004</td>
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<td>Total</td>
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<td>98,326,694</td>
<td>133,666,448</td>
<td>217,518,313</td>
<td>170,902,619</td>
<td>149,403,349</td>
<td>91,970,281</td>
<td>109,900,250</td>
<td>147,860,858</td>
<td>154,916,242</td>
<td>91,099,624</td>
<td>123,476,812</td>
<td>1,632,899,054</td>
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#### 2015

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<th>AUG</th>
<th>SEP</th>
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<th>NOV</th>
<th>DEC</th>
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<tbody>
<tr>
<td>Italy</td>
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<td>8,065,400</td>
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<td>146,238,514</td>
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<td>115,184,641</td>
<td>130,785,426</td>
<td>131,146,259</td>
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<td>149,459,977</td>
<td>144,039,443</td>
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<td>175,549,064</td>
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#### 2016

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<th>NOV</th>
<th>DEC</th>
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<th>% Share</th>
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<tbody>
<tr>
<td>Italy</td>
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<td>8,065</td>
<td>0</td>
<td>3,407,744</td>
<td>9,041,620</td>
<td>6,367,400</td>
<td>3,709,710</td>
<td>496,690</td>
<td>15,230,492</td>
<td>5,730,958</td>
<td>4,446,818</td>
<td>89,355,164</td>
<td>5.54%</td>
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<td>132,368,907</td>
<td>144,053,132</td>
<td>130,754,433</td>
<td>120,595,173</td>
<td>141,982,555</td>
<td>132,098,086</td>
<td>128,572,974</td>
<td>90,570,637</td>
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<td>1,494,585,363</td>
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<td>140,960,951</td>
<td>132,892,012</td>
<td>147,460,879</td>
<td>139,796,058</td>
<td>126,962,573</td>
<td>156,576,772</td>
<td>132,594,734</td>
<td>152,145,206</td>
<td>107,102,135</td>
<td>107,222,257</td>
<td>1,614,025,277</td>
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### Negligibility Period (Mar. 2016 - Feb. 2017)

<table>
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<tr>
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<th>TOTAL</th>
<th>% Share</th>
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</thead>
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<tr>
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<td>0</td>
<td>3,407,744</td>
<td>9,041,620</td>
<td>6,367,400</td>
<td>3,709,710</td>
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<td>496,690</td>
<td>15,230,492</td>
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<td>4,446,818</td>
<td>92,570,985</td>
<td>4.58%</td>
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<tr>
<td>All Others</td>
<td>129,601,699</td>
<td>132,368,907</td>
<td>144,053,132</td>
<td>130,754,433</td>
<td>120,595,173</td>
<td>141,982,555</td>
<td>132,098,086</td>
<td>128,572,974</td>
<td>90,570,637</td>
<td>102,725,546</td>
<td>1,486,362,083</td>
<td>92.95%</td>
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<tr>
<td>Total</td>
<td>140,960,951</td>
<td>132,892,012</td>
<td>147,460,879</td>
<td>139,796,058</td>
<td>126,962,573</td>
<td>156,576,772</td>
<td>132,594,734</td>
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<td>107,102,135</td>
<td>107,222,257</td>
<td>139,677,737</td>
<td>1,599,155,344</td>
<td>100.00%</td>
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</table>

**Notes:**
- Data based on imports under HS 9104 in 2013: 7213.91, 7213.90, 7213.91, 7221.90, 7221.91, 7221.92, 7221.99, 7221.9000, 7221.9000, 7221.9000, 7221.9000, and 7221.9000.
- Source: ICT Trade Database.
Exhibit 2

Italian CASWR Industry Articles
INDUSTRIA

Pittini investe 100 milioni nel sito di Verona
di Matteo Meneghello
Diventare “il” produttore nazionale di vergella. È l’ambizione del gruppo friulano Pittini che ieri ha presentato un progetto per il rilancio del Galtarossa di Verona, storico stabilimento siderurgico rilevato poco più di un anno fa da Riva Forni elettrici: l’obiettivo è trasformarlo in un’acciaieria 4.0, grazie a un piano di investimenti da 100 milioni in tre anni, con il rifacimento completo di un laminatoio e di una colata continua.

Già oggi il gruppo di Osoppo (Udine), è leader in Italia nella produzione di laminati lunghi (3 milioni l’output annuale), con una quota del 37% (era il 30% l’anno scorso), e un fatturato che nel 2016 ha superato il miliardo di euro (l’ebitda è in crescita a 75 milioni), con una quota estero salita al 60% (all’inizio degli anni 2000 il mercato interno pesava l’80% dei ricavi). Una strategia di riposizionamento sulle direttrici che vanno verso Germania, Austria e Slovenia che il gruppo intende realizzare anche con le Acciaierie di Verona. «L’obiettivo del piano – ha spiegato il presidente del gruppo, Federico Pittini –, è rendere il sito competitivo nel mercato siderurgico e specializzarlo nella produzione di laminati di qualità, consentendo a Verona, attraverso gli investimenti, di aprirsi a nuove opportunità all’estero».

Il focus principale del piano è nel rinnovamento degli impianti che la dirigenza friulana, dopo un’analisi durata mesi, ha giudicato obsoleti e non adeguati agli standard del gruppo. «Lo stabilimento – ha spiegato il presidente delle Acciaierie di Verona, Paolo Felice -, non ha allo stato attuale un mercato di sbocco, i prodotti sono penalizzati sul piano qualitativo». Il cuore del rinnovamento è il nuovo laminatoio vergella, acquistato dal gruppo Danieli insieme a una colata continua a sei linee; un impianto di ultima generazione, automatizzato, aggiornato ai più recenti standard dell’industria 4.0. Una scelta che, come ha spiegato il vicepresidente di Confindustria Verona, Giulio Pedrollo, “sono la testimonianza diretta che una politica industriale con una visione di sviluppo e crescita può arrivare a colpire e a ribaltare situazioni anche molto critiche”, e dimostrano come “il piano Industria 4.0 sia in grado di fare la differenza per il rilancio di ogni settore”.


La capacità produttiva non cambierà: le Acciaierie di Verona consoleranno i loro volumi annuali, pari a circa 1,3 milioni di tonnellate, che saranno in larga parte verticalizzate verso gli altri stabilimenti controllati da Pittini, in Italia e all’estero. “Con il nuovo piano – ha spiegato il direttore generale, Leonardo Rizzani – puntiamo a produrre una vergella di elevata qualità, nella gamma di acciai a basso e alto contenuto di carbonio. Con i nuovi impianti vogliamo stabilizzare la produzione, evitando inefficienze, guasti o fermate”. L’azienda intende migliorare la logistica (spostando il più possibile il traffico merci da gomma a rotaia) e punta anche a favorire un ricambio generazionale all’interno dell’azienda (circa 400 i dipendenti), caratterizzata da una età media elevata (. A questo scopo sono già state gettate le basi per un modello di alternanza scuola-lavoro, come già avviene nel gruppo Pittini dal 2000

TAG: Matteo Meneghello, Paolo Felice, Giulio Pedrollo, Galtarossa, Leonardo Rizzani, Confindustria, Udine, Federico Pittini
Riva si prepara a lasciare Verona

Siderurgia mondiale in ripresa

L'acciaio recupera volumi

ABBONAMENTO

ACCEDI

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Becoming ‘the’ national producer of wire-rod. This is the ambition of the Friuli-based group Pittini which yesterday presented a project for the re-development of the Galtarossa mill in Verona, a historical factory bought a little more than one year ago from Riva Forni Elettrici. The aim is to transform the factory in a ‘4.0 mill’, thanks to a three years investment plan of 100 million euro, which includes the complete renovation of the rolling mill and of a continuous casting facility.

As of today the group from Osoppo (Udine), is the Italian leader in the production of long rolled products (3 million the total annual output), with a market share of 37% (30% last year), an annual turnover of more than 1 billion euro in 2016 (Ebitda grew to 75 million) and 60% of the products being exported (beginning of 2000s the home market corresponded to 80% of the turnover). A strategy of change that includes Germany, Austria and Slovenia and that the group plans to carry out also in Verona. “The aim of the plan – explained the president of the group Federico Pittini – is to make the mill competitive in the steel market and specialize in the production of quality rolled product, thereby allowing Verona to find new opportunities abroad”.

The key focus of the plan is to renew the mill, which – following an analysis by the management – was considered obsolete and not in line with the group’s standards. As explained by the president of Acciaierie di Verona, Paolo Felice “the mill does not have at the present time a market where to sell, and the products are penalized in terms of quality”. The heart of the renewal is a new rolling mill for the wire rod, already bought from Gruppo Danieli, together with a six-lines continuous casting. A very modern mill, automatized, built in accordance with the most recent standards of the 4.0 industry. As explained by the vice-president of Confindustria1 Verona, Giulio Pedrollo, “the choice shows that an industrial policy focused on development and growth can change the course of very complicated situations” and “demonstrates that the 4.0 Industry Plan can indeed give new momentum to different sectors”.

At the beginning of spring, the company will demolish 21,300 square meters of industrial buildings in order to create 22,100 square meters of new ones. The other works will concern the enlargement of the scrap area, the upgrade of the cold rolled area and of the rail link. In a second phase, the corporate offices, the lock rooms, the canteen and the carpentry will also be refurbished.

Production capacity will remain unchanged. Acciaierie di Verona will consolidate their current volumes (equivalent to approximately 1.3 million tons), the largest part of which will be sold to other Italian and foreign companies of the Pittini Group and used for the manufacturing of downstream products.2 “With the new plan – explains the director general, Leonardo Rizzani –

1 Confindustria is the Italian Business Association.
2 This is the meaning of the Italian word “verticalizzare”. It could be translated literally as “sold downstream”.
we will be focusing on producing a high quality wire rod, both of high and low carbon content. With the new manufacturing facilities we want to stabilize production and avoid inefficiencies, breakdowns and unforeseen stoppages”. The company aims to improve logistics (by switching the greatest part of its deliveries from trucks to rail) and to favour generational turnover in view of the fact that the majority of the current workers have a rather high average age (to this end the company is already preparing to invest in the professional development of young students, on the basis of a model in place since year 2000).
Piombino, Rebrab non mantiene le promesse. A rischio 2200 operai

» ROBERTO ROTUNNO

impressione è che l’incontro di oggi sarà decisivo – nel bene o nel male – per il futuro di Piombino. Al ministero dello Sviluppo economico sarà presente Carlo Calenda con i sindacati e con i rappresentanti della Cevital, società dell’algerino Issad Rebrab che due anni fa si è impegnato a riconvertire l’acciaieria ex Lucchini e a mantenere i 2.200 operai della fabbrica.

Da allora, molte promesse e nessun fatto concreto, tanto che da giorni il Comune è occupato dai lavoratori in protesta. Non si capisce come e quando sarà avviato il piano di rilancio presentato nel 2014 e sostenuto dal presidente della Regione Enrico Rossi e dall’allora premier Matteo Renzi. Il progetto prevedeva in primis l’attivazione di un forno elettrico per rendere meno inquinante la produzione nel polo siderurgico. Poi, la diversificazione dell’industria: un polo agro-alimentare e uno logistico per sfruttare la vicinanza con il porto. L’obiettivo di Rebrab è addirittura arrivare a impiegare 3.500 persone nell’intera area, da trasformare in un centro di approdo e lavorazione di prodotti alimentari di tutto il Mediterraneo.

La realtà racconta altro: l’algerino ha acquistato nel 2014 la ex Lucchini, in amministrazione controllata, e assunto i 2.200 dipendenti. I lavori per la riconversione, però, non partono e addirittura si fa fatica ad assicurare continuità produttiva all’acciaieria. Si è da poco riacceso il ciclo del treno a rotella che serve una commessa di Ferrovie dello Stato. Il problema è che manca liquidità per l’acquisto dei semilavorati e non è facile ottenere attraverso il credito bancario. I clienti, infatti, pagano a 90 giorni; gli istituti non sempre sono disposti ad anticipare i soldi attraverso i contratti di factoring. I lavoratori sono in solidarietà, ma non sarà assicurato almeno il 40% della capacità produttiva si dovrà ricorrere alla cassa integrazione. A luglio, inoltre, scadono gli effetti della legge Marzano, che in questi due anni ha impedito a Cevital di licenziare. A meno di proroghe, dunque, si rischiano addirittura allontanamenti in estate.

“Rebrab does not keep its promises. 2200 jobs are at risk”

The impression is that today’s meeting will be key for Piombino’s future. The Minister Carlo Calenda, the trade Unions and the representatives of Cevital will all be present at the meeting to be held today at the Ministry of Economic Development. Cevital is the company owned by the Algerian entrepreneur Issad Rebrab, who a couple of years ago promised to refurbish the mill and to keep all the jobs.

Since then a lot of promises have occurred, nothing concrete has happened and now the mill’s workers have occupied the premises of the Piombino’s cityhall [to protest]. It remains completely unclear how and when the redevelopment plan presented in 2015 will be launched. That plan had been supported by the President of the Tuscany Region Enrico Rossi and by former Prime Minister Matteo Renzi. The project included, first of all, the activation of an electric furnace in order to reduce the pollution caused by the mill. Then, the diversification of the investments: an agro-food processing centre and a logistics centre to take advantage of the proximity with the port of Piombino. The aim of Rebrab was to be able to offer jobs to 3,500 peoples in the area, that would have become a centre for the processing of agro-food products coming from all the Mediterranean.

The reality, however, is very different. The Algerian entrepreneur bought the Lucchini mill, a company into receivership, in 2014 and hired its 2,200 workers. The works for the refurbishment of the mill however have not started yet. On the contrary, there are difficulties to guarantee business and production continuity in the mill. Only recently, the company restarted the production of long rails which were commissioned by the Italian Railways. The problem is that there is no liquidity for purchasing the semi-finished products and it is not easy to obtain such liquidity from the banks. Indeed, clients usually pay after 90 days and the banks are not always willing to pay in advance the money through factoring. The workers are supportive. However, if at least 40% of the production capacity will not be operative by July, recourse will have to be made to unemployment insurance. Moreover, the effects of the Marzano Law – a statute that has prevented Cevital from dismissing the workers during the last two years – will also expire in July. Unless there will be a prorogation, collective dismissal could thus start already this summer.

Rebrab continues to restate its commitments, which however are not followed by the submission of a serious industrial plan. According to Mauro Faticanti, a trade unionist at Fiom, the government must take its own responsibilities and intervene. The government decided to sell the

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1 Italian “amministrazione controllata” (“Amministrazione controllata” is a form of corporate governance provided under Italian bankruptcy law. It basically allows a company in serious financial difficulties to continue to operate for a limited period of time (two years) under the control of a judge and of a commissioner he designates.
2 Lucchini SpA was previously owned by PAO Severstal. It ran the Piombino’s steel mill which now operates under the name Aferpi.
3 Ferrovie dello Stato.
4 Italian “Cassa Integrazione”. Under this labour law statute, employees are paid part of their salary for a limited period of time despite the fact that they do not work at the factory.
5 An Italian trade union active i.a. in the steel industry.
former Lucchini mill to the Algerians, now it shall decide again whether to continue trusting them or try to find more reliable partners”. Among the possible alternatives there would be the Indian company Jindal. This company has expressed interest to buy Ilva, and the decision to [invest in Aferpi] will largely depend on how the Taranto’s matter ends up. Other alternatives could be British Steel or Liberty House. There is nothing concrete and that would help to reassure the 2,200 workers.

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6 Ilva SpA, Italy’s largest steel producer, owner of a very large mill in Taranto, in the Southern Italian region of Puglia.
Aferpi: Calenda, lavoratori e istituzioni hanno bisogno di certezze

Mercoledì, 19 Aprile 2017

Oggi al Ministero dello Sviluppo Economico è proseguito il confronto sul piano industriale predisposto da Cevital per le acciaierie Aferpi di Piombino.

Alla riunione, presieduta dal Ministro Carlo Calenda e dalla Vice Ministro Teresa Bellanova, hanno partecipato l'imprenditore algerino Issad Rebrab, i sindacati e le istituzioni locali.

Nel corso dell'incontro sono state ulteriormente illustrate dalla proprietà le caratteristiche dell'investimento previsto, già dal luglio 2015, per il rilancio dello stabilimento siderurgico toscano.

Le indicazioni ricevute dall'azienda non hanno purtroppo consentito di rilevare significativi avanzamenti sia per quanto riguarda i tempi di realizzazione dei nuovi impianti, sia per quanto concerne la copertura finanziaria dell'investimento.

Per questa ragione il Governo ha comunicato la decisione di inviare nelle prossime ore ad Aferpi una lettera formale di denuncia delle inadempienze contrattuali finora rilevate.

Con questo atto ufficiale il Governo intende sollecitare l'Azienda a riconoscere la prosecuzione, oltre il biennio che scadrà il prossimo mese di giugno, delle attività di sorveglianza previste dalla Legge per le Amministrazioni Straordinarie. Qualora non venisse accolta tale richiesta, non resterebbe che avviare la procedura di rescissione del contratto di cessione degli impianti sottoscritto a luglio del 2015.

Il Ministro Carlo Calenda ha sottolineato, a conclusione della riunione, che “la vicenda della acciaieria di Piombino è ad una svolta critica e mi auguro che la proprietà e in particolare il Signor Rebrab, comprenda che di tempo ne è trascorso troppo senza vedere alcun avanzamento del progetto siderurgico annunciato. Ora i lavoratori e le istituzioni devono avere certezze; non è più il momento delle vaghe promesse”.
“Aferpi: Calenda\(^1\) states: the workers and the institutions need reassurances”

Wednesday, 19 April 2017

Today, at the premises of the Ministry for Economic Development, discussions took place on the industrial plan which had been presented by Cevital for the Aferpi steel mill of Piombino.

The meeting was attended by the Minister Calenda, the Vice-minister Teresa Bellanova, the Algerian Entrepreneur Issad Rebrab, the trade unions and the local authorities.

During the meeting, the owner represented the details of the investment plan already made public in July 2015 for the refurbishment of the Tuscany steel mill.

The statements made in the course of the meeting did not allow to identify any significant progress with respect to neither the timing for the refurbishment of the mill nor the necessary financial coverage.

For this reason, the government communicated its decision to send in the next few hours a formal notice to Aferpi denouncing the breach of the previous agreements.

With this official act the Government invites the company to continue the surveillance activities provided for by the Extraordinary Administration Law.\(^2\) These activities were to be completed within an initial period of two years. In the event the request will not be met, we will have to terminate the contract concluded in July 2015 by which the mill was sold [to Cevital].

At the end of the meeting, the Minister Carlo Calenda stressed that “The Piombino’s matter is at a critical stage and I hope that the ownership, and in particular Mr. Rebrab, understands that too much time has been lost without any significant progress made in the announced industrial project. Now the workers and the institutions need to have certainties, it is no longer the moment for vague promises”.

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\(^1\) Current Italian Minister for Economic Development (Translator’s note)

\(^2\) The Legislative decree [8.7.1999] n. 270 “the Extraordinary Administration Law”, aims at restoring the activities of companies undergoing a serious crisis, thereby preserving the continuation of their business. Amongst other things Article 27, comma 2, lett. A of the Extraordinary Administration Law provides that the assets of companies undergoing a serious financial crisis must be sold to other investors having adequate financial resources and who have presented an adequate industrial plan for the restructuring of the company. The purchaser has two years to start the program of restructuring of the company, which can be extended for additional 12 months. If the restructuring plan is not successful within the prescribed period, the sale contract can be terminated by the Italian Government. (Translator’s note)
Acciaieria di Piombino, il governo mette in mora Rebrab

Svolta dopo il vertice al ministero dello Sviluppo Economico: l'imprenditore algerino ha 15 giorni di tempo per aderire o meno alle richieste dell'esecutivo. Calenda: "Trascorso troppo tempo senza progressi: basta con le vaghe promesse"

ROMA - La crisi dell'Aferpi, l'acciaieria ex-Lucchini di Piombino, è all'ennesima crocevia. Al termine di un vertice al ministero dello Sviluppo Economico, il governo ha annunciato la messa in mora della Cevital, il gruppo dell'imprenditore algerino Issad Rebrab attuale proprietario della fabbrica. "La vicenda dell'acciaieria di Piombino - ha dichiarato il ministro Carlo Calenda - è ad una svolta critica e mi auguro che la proprietà e in particolare il signor Rebrab, comprenda che di tempo ne è trascorso troppo senza vedere alcun avanzamento del progetto siderurgico annunciato. Ora i lavoratori e le istituzioni devono avere certezze, non è più il momento delle vaghe promesse".

Alla riunione, presieduta da Calenda e dalla viceministro Teresa Bellanova, hanno partecipato anche i sindacati e le istituzioni locali. Rebrab ha nuovamente illustrato le caratteristiche dell'investimento previsto, già dal luglio 2015, per il rilancio dello stabilimento siderurgico toscano, ma le indicazioni ricevute dall'azienda - si legge in una nota del Mise - "non hanno portato consenso a rilevare significativi avanzamenti sia per i tempi di realizzazione dei nuovi impianti, sia per la copertura finanziaria dell'investimento. Per questa ragione il governo ha comunicato la decisione di inviare nelle prossime ore ad Aferpi una lettera formale di denuncia delle inadempienze contrattuali finora rilevate". Con questo atto ufficiale il governo sollecita l'azienda a riconoscere la procedura, oltre il bivio che scadrà il prossimo mese di giugno, dell'attività di sorveglianza previste dalla Legge Marzano. "Qualora non venisse accolta questa richiesta - annuncia il Mise - non resterebbe che avviare la procedura di rescissione del contratto di cessione degli impianti sottoscritto a luglio del 2015".

In sostanza, entro quindici giorni dal ricevimento della lettera di messa in mora si capirà se Rebrab continuerà ad essere della partita rispondendo positivamente all'aut-aut del governo e presentando garanzie precise, o se tutto tornerà al punto di partenza con la necessità di trovare soluzioni alternative a quella di Cevital per salvare la fabbrica e il
posto di lavoro ad oltre duemila operai impiegati nello stabilimento. "Cavital ancora una volta non ha dato garanzie per quanto riguarda il mantenimento della produzione e dell'occupazione - sottolinea Rosario Rappa (segretario nazionale Fiom) - E' comunque positiva la decisione del ministro Calenda di messa in mora di Aferpi e la richiesta di proroga di 24 mesi delle garanzie previste dalla legge Marzano per ricercare soluzioni industriali finalizzate a ricolare acciaio a Piombino. Così come l'instituzione di un tavolo di confronto sull'indotto". Anche secondo la Ulil, per bocca del segretario generale Rocco Palombella, ha sottolineato come "il management di Cavital si sia dimostrato inadempiente rispetto a quanto concordato con governo, istituzioni e sindacati sia dal punto di vista finanziario sia da quello dell'utilizzo della forza lavoro".

Per il segretario generale della Fim Cisl, Marco Bentivogli, "la proroga del periodo di sorveglianza è un atto indispensabile in assenza di impegni veri e ha fatto bene il ministro a badare all'azienda le questioni centrali di questa fase di fronte a gravi inadempienze contrattuali di Cavital: la garanzia di immissione di capitali per assicurare la liquidità, le garanzie sul contratto per la fornitura del forno elettrico, lo stato di avanzamento del programma di demolizione dei vecchi impianti e di bonifica dell'area". Infine il presidente della Regione Toscana, Ernesto Rossi: "Il passaggio di oggi è stato giusto, ma dobbiamo tentare di far arrivare i capitali necessari instaurando una trattativa tra governi per sbloccare i fondi che Cavital dice di avere in Algeria e andare così a vedere le carte. Di fronte abbiamo una questione che riguarda il futuro di oltre 4 mila lavoratori, considerando anche l'indotto, il cui peso sento anche sopra le mie spalle".

GUARDA ANCHE

Roma, toro alla fermata di Saxa Rubra

Parigi e Roma, non ci è confronto: l'ironia italiana sui francesi

Arte, ecco quali era il volto del Palladio: svelato il mistero
Important developments following the meeting at the Ministry of Economic Development: the Algerian entrepreneur has 15 days of time to decide to meet the requests of the government. Calenda states: “Too much time has been lost without progresses being made: we do not want vague promises anymore”.

Rome – the crisis of Aferpi, the Piombino-based steel mill previously owned by Lucchini, is once again at a critical stage. At the end of the meeting held at the Ministry of Economic Development, the government announced that it sent a formal notice to Cevital, the group owned by the Algerian entrepreneur Issad Rebrab and current owner of the factory. The Minister Carlo Calenda said; “The Piombino’s matter is at a critical stage and I hope that the ownership, and in particular Mr. Rebrab, understands that too much time has been lost without any significant progress in the announced industrial project. Now the workers and the institutions need to have certainties, it is no longer the moment for vague promises”.

The meeting was hosted by Calenda and the vice-minister Bellanova, and was attended also by the local authorities and trade unions. Rebrab once again explained the characteristics of the development plan already presented back in 2015. However, according to a press release issued by the Ministry, the statements of the company “did not allow to identify any significant progress with respect to neither the timing for the refurbishment of the mill nor the necessary financial coverage. For this reason, the government communicated its decision to send in the next few hours a formal notice to Aferpi denouncing the breach of the agreements”. With this official formal notice the government invites the company to confirm that it will continue carrying on the surveillance activities provided for by the Marzano Law. Such activities are set to expire at the end of June. According to the Ministry, “in the event the request will not be met, we will have to terminate the contract concluded in July 2015 by which the mill was sold”.

Basically, within 15 days from the receipt of the formal notice we will understand whether Rebrab will continue to play a part in this matter. To do so he will have to answer positively to the formal notice of the government and present precise guarantees. Should this not occur, everything will start again from scratch and there will be the need to find alternative solutions to Cevital necessary to save the factory and its 2,000 workers. According to Rosario Zappa (National Secretary of the Fiom trade union), “once again Cevital did not give any precise guarantee as to whether the mill will continue its production and to employ the personnel. We positively welcome the decision of the Ministry Calenda to formally ask Aferpi to confirm the guarantees provided for under the Marzano Law, which in turn would allow to look for new industrial options in order to restart production in Piombino. We also positively welcome the creation of a working group to discuss the impact of the overall situation on downstream markets”. Also according to the secretary general of the Ulm trade Union, Mr. Rocco Palombella, “Cevital is clearly not respecting its previous commitments with the government,
other institutions and trade unions, both under the financial point of view and also with respect to the utilization of the workforce”.

According to the Secretary General of Fim Cisl trade union, Marco Bentivogli, “the continuation of the surveillance period provided for under the Marzano law is indispensable in view of the lack of real commitments [by Cevital]. The Minister was right to stress Cevital’s serious breaches with respect to: the need to inject capitals in order to ensure the overall liquidity of the company, the guarantees for the construction of the electric furnace, the status of the works for the demolition of the old factories and general environmental remediation of the area”. According to the President of the Tuscany Region, Mr. Ernesto Rossi, “today’s decision was the right one, but we got to ensure that the capitals that Cevital claims to have in Algeria are finally de-blocked. This can be done by launching negotiations between the governments of the two countries. This will allow to understand what can be done by Cevital. I do feel a responsibility with respect to an issue that concerns more than 4,000 workers, if one considers the downstream markets”.
L’INTERVISTA » ANTONIO GOZZI

«Aferpi, quel piano non stava in piedi»

Il presidente di Federacciai: era chiaro che la legge algerina non avrebbe consentito a Rebrab di muovere i capitali necessari.

di Cristiano Lozito
PIOMBINO

«Quello che sta accadendo ad Aferpi era prevedibile, perché quel piano industriale non stava in piedi. Da quelle parti sono visto come un nemico e non c’è un piano che non venga in tilt per i lavoratori. È una situazione che è diversa.»

Antonio Gozzi, presidente di Federacciai, accetta di rispondere alle domande del Tirreno sul futuro delle acciaierie piombinesi, il giorno dopo l’annuncio di parte del ministro Carlo Calenda della messa in marcia di Co vital, seguito all’ultimo incontro col presidente Issad Rebrab: «Ma non riuscirà a fare in null Edmund Rebrab siderurgico - avverte - perché la mia posizione è quella di non riuscire a fare polemica, oltre al fatto che ribadiria oggi sarebbe come il mio piano alla Croce Rossa.»

Presidente Gozzi, come giudica la decisione del ministro Calenda?
«Beh, ha il merito di aver fatto chiarezza, riconoscendo l’inadempimenti fin qui non formalizzato.»

Ora di aprire una fase nuova e difficile. Ma varie fonti segnalano anche l’interesse di Aferpi da parte di gruppi stranieri.

«Ho sentito parlare di un interesse di German Steel. L’anno in via come Piombino, posso voler prendere un po’ di mercato. A tratta di un ricavo, e questo mi lascia un po’ perplesso; perché la siderurgia richiede tempi lunghi, mentre i fondi vogliono guadagni rapidi.»

Perché nessuna azienda italiana è interessata alla ex Lucecht?
«Le aziende del Nord Italia a suo tempo avevano fatto proposte per la verticizzazione a Piombino del loro prodotto, ma non sono state accettate. Ora quelle occorrono non ci sono più, e in questo il tempo ha fatto i loro investimenti.»

Ma qual è la ragione più importante per la quale le acciaierie piombinesi non sono giudicate appetibili?
«Piombino ha i vantaggi della logistica di un impianto costiero, ma è uno stabilimento che storicamente ha sempre lavorato in perdita. Servono grossi investimenti sugli impianti, che hanno prospettive di redditività solo per il treno rotale, perché quelli per barre e vergelle non si ripagano. Il tema dei recuperi degli investimenti, quando si parla poi di cifre intorno ai 500 milioni, non è un dettaglio.»

Perché lei sostiene fin dall’inizio l’evidenza che il piano industriale di Aferpi non poteva reggersi?
«Mah, all’epoca il piano non venne approfondito. Ma servirebbero investimenti sugli impianti ma solo il treno rotale ha prospettive di redditività.»

In realtà ora chiaro che Rebrab non avrebbe potuto fare gli investimenti, semplicemente perché la legge algerina non gli avrebbe consentito di muovere i capitali necessari. Tanto che in Francia, per queste ragioni non gli avevano concesso l’impianto Ascometal di Fos Sur Mer. È ora Piombino cosa si deve augurare?
«Di trovare un imprenditore credibile, e restando il concetto: credibile.»

Un operatore al treno rotale, unico impianto attualmente in funzione (Fattara)

«Calenda ha fatto chiarezza su un’inadempienza fin qui non formalizzata»

«Serve un investimento sugli impianti, ma solo il treno rotale ha prospettive di redditività.»

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“Aferpi, that plan did not make any sense – The President of Federacciai:1 it was clear that Algerian law would have not permitted to Rebrab to move the necessary funds”

“What is happening to Aferpi was foreseeable, because that industrial plan did not make any sense. I am seen as an enemy in Piombino, although I do not understand why. I am really worried for the Piombino’s workers, the situation is not easy”.

Antonio Gozzi, president of Federacciai, agrees to answer to the questions of Il Tirreno newspaper on the future of the Piombino’s mills, the day after the formal notice issued by the Minister Carlo Calenda following the unsuccessful meeting with Cevital and its president Issad Rebrab. “But I am not going to say anything on Rebrab as a steel entrepreneur because my position on this point is well known. I do not want to be polemic. Moreover it would be like shooting to an ambulance”.2

Q: President Gozzi, how do you judge the decision of Minister Calenda?
A: Well, he made things clear. He formalized a breach of contract.

Q: Now a new and difficult phase is open. There are rumours about the fact that some other foreign investors might be interested in Aferpi…
A: I heard about British Steel. They manufacture long rails like Piombino does, they might want to gain some market share. They are an investment fund, and this is something that leaves me a bit puzzled. Steel is something that requires a lot of time whereas investment funds want immediate profits”

Q: Why no Italian steel company is interested in the former Lucchini plant?
A: In the past some Northern-Italy’s mills made proposals for the verticalization of their products in Piombino. Such proposals were not accepted. Now there is no surplus and in the meanwhile companies made other investments”.

Q: What is the main reason why the Piombino’s mills are not considered as a viable investment?
A: Piombino has the logistics advantage of having a port, but historically it is a mill that has always worked at loss. Huge investments on the production facilities are needed, which could generate profits only for the long rails sector. Investments for the wire-rod and rebars line would not pay back. The issue of finding investments, especially when you talk about 600 million euro, is not just a detail.

Q: Why have you argued since the beginning that the Aferpi’s industrial plan would have not been viable?
A: Well, at the time the plan was not analyzed carefully. But it was clear that Rebrab would have not been in a position to invest because Algerian law does not allow him to transfer the necessary funds. Indeed, even in France he was not allowed to buy the Ascometal mill in Fos Sur Mer.

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1 The Italian Steel Association (Translator’s note)
2 This is an Italian expression which refers to situations in which the sense of decency prevents someone from commenting on desperate situations. (Translator’s note)
Q: What do you wish for Piombino?
A: That they found a reliable investor. And I would like to stress the word reliable. Unfortunately for the moment I do not see any.

[In the subtitles of the pictures embedded in the article: “Antonio Gozzi (on the right) with Issad Rebrab and Piero Nardi at the Piombino steel conference in March 2015”; “An employee working at the long rails mill, the only facility currently operative”.
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