
Chelyabinsk Tube counting on the introduction of special import duty

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It is reported that the management of JSC Chelyabinsk Tube-Rolling Plant is counting on the introduction of special import duty on large diameter pipes in Russia. The Ministry of Industry and Trade of the RF has initiated an appropriate protection inquiry based on a claim that was submitted by several metal makers.

The subject of the inquiry will be the whole range of imported pipes with 508 to 1,420 millimeters diameter. Following the results of a similar inquiry in 2006 an 8% duty had been introduced for a period of three years. This had resulted in the 8 times decrease of imports of large diameter pipes into Russia.

Russian pipe manufacturers point at facts of direct and indirect subsidizing of importers. The Pipe Industry Development Fund informed RusBusinessNews that according to this, the introduction of new duties for the period of three to four years would be rather logical.

Large diameter pipes are a high tech product and their production in Russia will grow. For instance JSC Chelyabinsk Tube Rolling Plant is implementing the project of the construction of electric pipe welding plant which will be making 1,420mm diameter pipes for trunk pipelines. The global financial crisis has shut the foreign markets for the Russian pipe makers and many companies have sustained losses in the Q1 of 2009. This is why they are suggesting the protection of the internal market against imported products.

(Sourced from www.rusbiznews.com)

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