
Vietnam to reduce import tax on billet

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In order to help domestic factories raise production and sales, thereby increasing the industrial output of Vietnam, Vietnam's Department of Industry & Trade recently put forward a proposal to the department of finance, which suggested raising the import tax on cold rolled steel from 5% to 7%, while reducing the import tax on steel billet from 20% to 5%.

According to related statistics, the entire estimated demand for cold rolled steel in Vietnam for the year 2008 will be 1.20 million tonnes. The domestic production capacity of cold rolled steel of Vietnam will constitute about 67% of the total demand as compared to the current level of 30% to 35% of total market demand.

Besides, the current ex work price of steel billet has already fallen to VND 16 million per tonne, down by VND 3 million per tonne. Exports are not performing well either, due to the high export tax.

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