

US to mull new duties on China steel pipe imports

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WASHINGTON - The U.S. Commerce Department said on Wednesday it launched an investigation that could lead to new duties of nearly 100 percent or more on imports of steel pipes from China.

The department said it accepted a petition asking for the probe from the United States Steel Corp (X.N), V&M Star LP, TMK IPSCO and the United Steelworkers union.

The new investigation followed President Barack Obama's recent decision to slap a 35 percent duty on tires made in China after a U.S. trade panel said a market-disrupting import surge had occurred.

The United States also imposed preliminary duties last month on \$2.6 billion worth of Chinese-made steel pipe used to transport oil.

The latest case involves seamless carbon and alloy steel standard, line and pressure pipe used in industrial piping systems to convey water, steam, oil products, natural gas and other liquids and gases.

Imports of the product from China increased nearly 132 percent by volume from 2006 to 2008 to an estimated \$382 million, the Commerce Department said.

The petitioners have requested a 98.37 percent anti-dumping duty to offset what they allege to be unfairly low prices for Chinese-made steel pipe sold in the United States.

They also want additional countervailing duties to offset suspected Chinese government subsidies.

The U.S. International Trade Commission will vote by early November on whether there is enough evidence for the case to proceed.

If it gives the green light, the Commerce Department will make a decision on preliminary anti-dumping duties in December and preliminary countervailing duties in February.

(Reporting by Doug Palmer; Editing by Peter Cooney)