

New report: \$27bn in China energy subsidies to steelmakers

170 words

14 January 2008

[Steel Business Briefing](#)

English

(c) 2008 Steel Business Briefing www.steelbb.com [<http://www.steelbb.com>]

The Chinese government has exponentially boosted China's steel output over the last three years through massive, trade-distorting energy subsidies, says a new report commissioned by the Alliance for American Manufacturing (AAM), which includes the United Steelworkers union and US mills.

The report asserts that subsidies from 2000 to 2007 totaled over \$27bn, Steel Business Briefing notes. They include support for thermal and coking coal, electricity and natural gas.

"China has identified steel as a strategic industry, and both the central and provincial governments have decided to ramp up steel production with massive subsidies that have now been confirmed," says the report's author, **Usha Haley**. "Our analysis shows that energy subsidies have a strong correlation with Chinese steel exports."

AAM says that the US government needs to urgently address and remedy the problem.

For questions about editorial content, or to subscribe call +44 (0) 20 7626 0600, info@steelbb.com

© Steel Business Briefing 2008

Document STSCNW0020080121e41e00013

© 2008 Factiva, Inc. All rights reserved.