

Korean Steel Market Development

**95th Session of the OECD Steel Committee
25 Mar 2024**

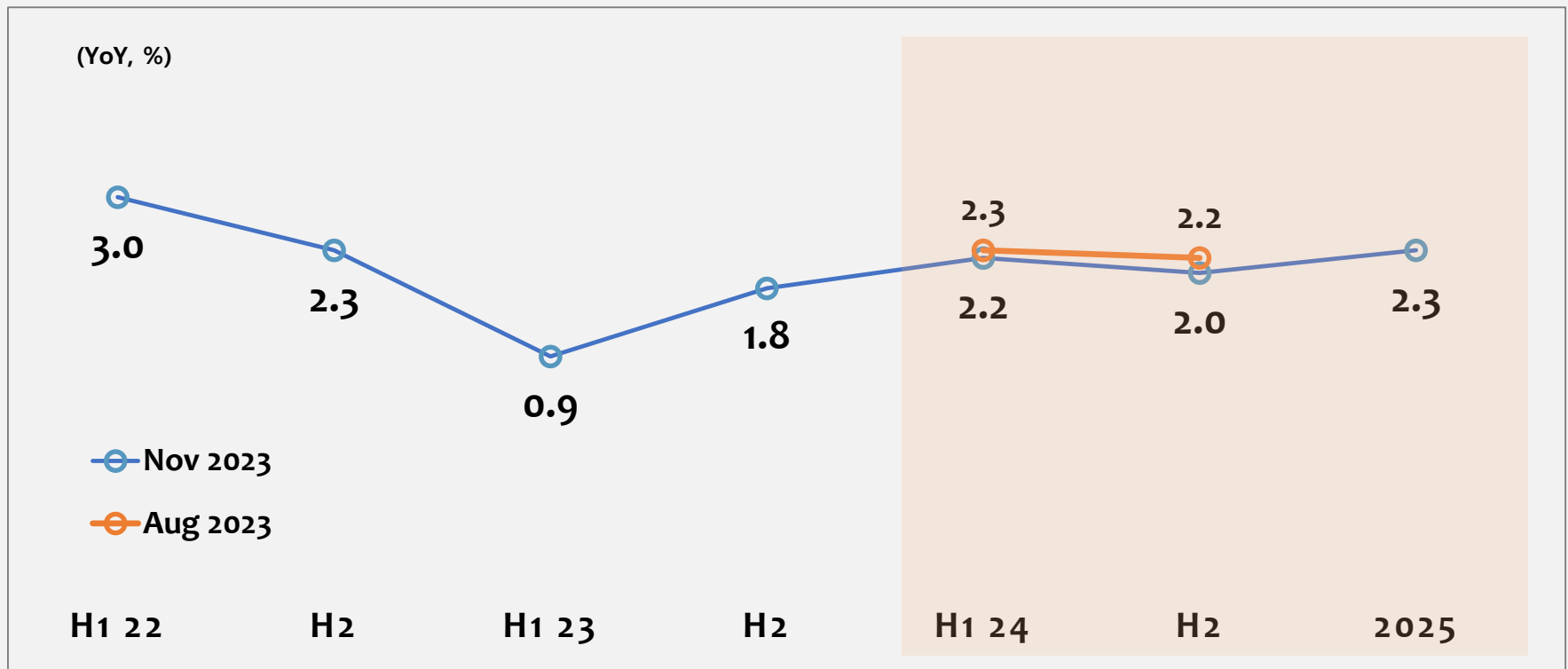
Korea Iron and Steel Association(KOSA)

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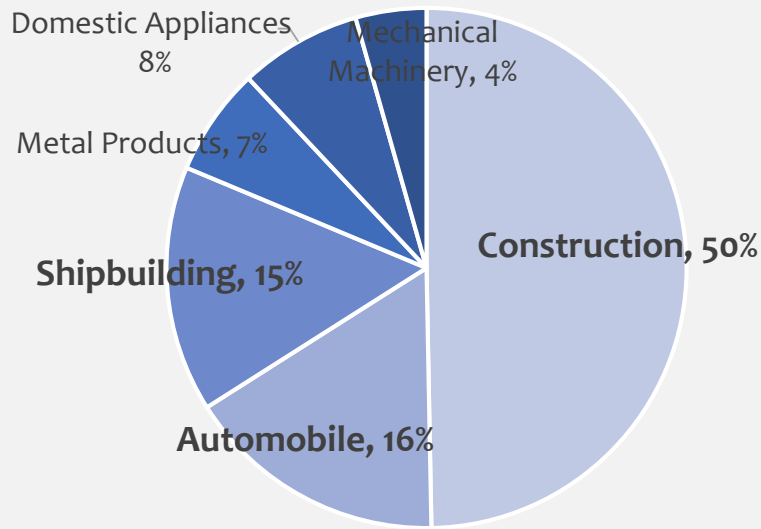
1. Economic Overview

- Korea's economy is projected to continue its gradual recovery
 - Driven by a pickup in exports, particularly in the IT sector, despite the slowed momentum in the recovery of private consumption

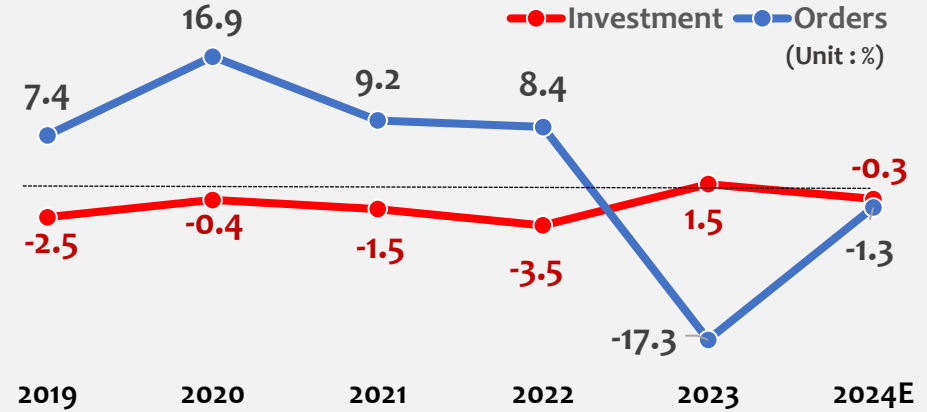


* Source : Bank of Korea (Feb. 2024)

2. Steel Consuming Industries



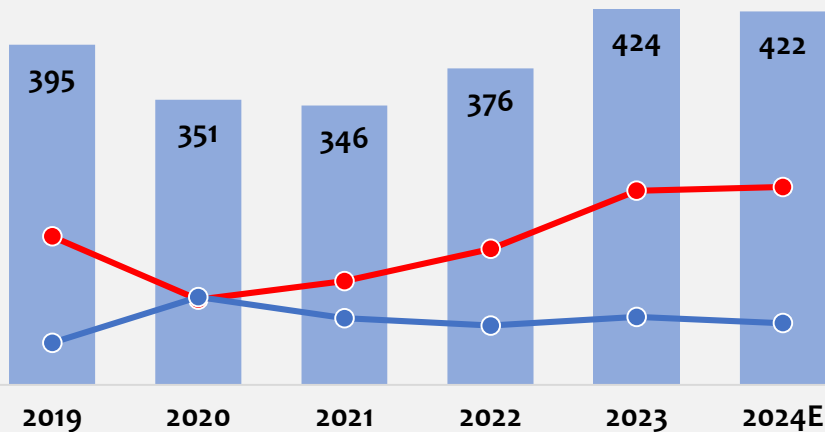
Construction Indicator(YoY)



* Source : Bank of Korea (Feb. 2023)

Automobile Statistics

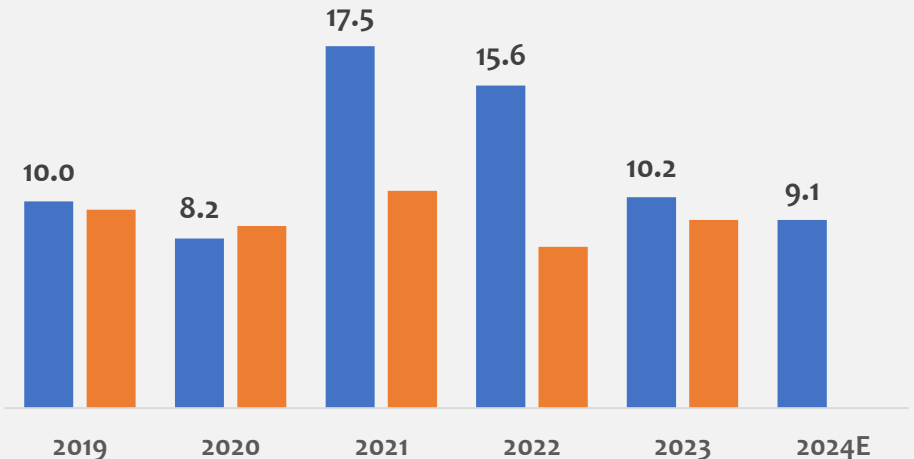
Production (blue bars), Export (red line), Demand (blue line) (Unit : 10,000)



* Source : Korea Automobile Association

Shipbuilding Statistics

New order (blue bars), Deliveries (orange bars) (Unit : Million CGT)

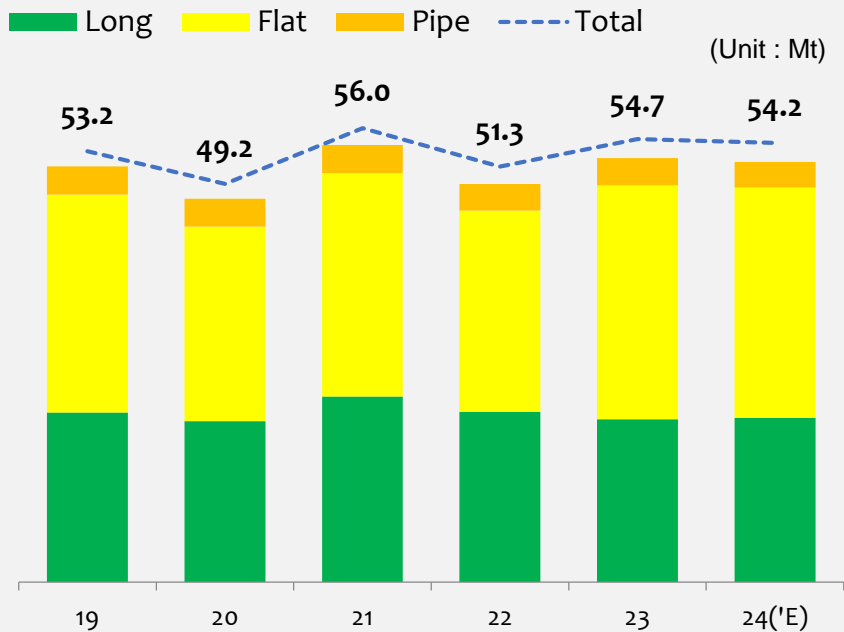


* Source : Clarkson

3. Domestic Supply and Demand

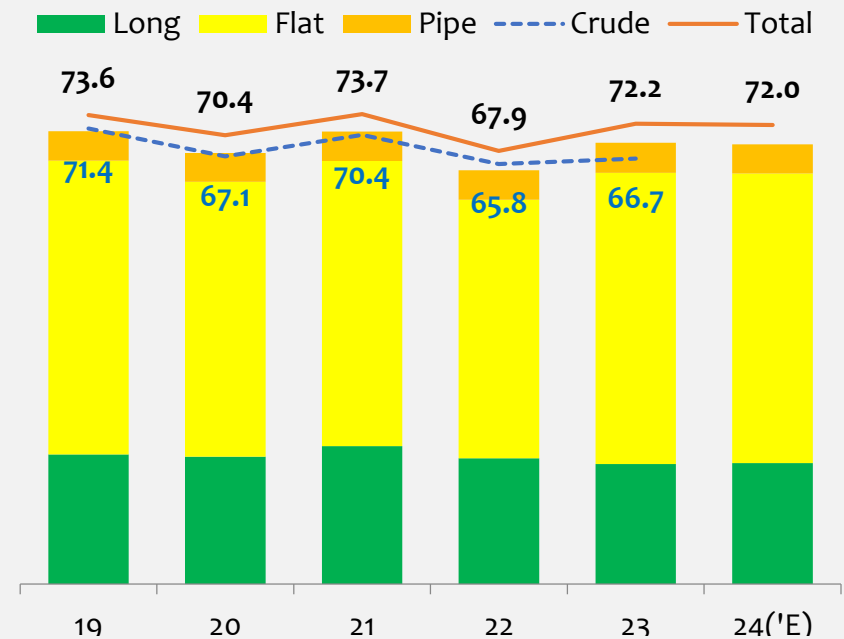
- Consumption and Production is projected to remain at the level of last year
 - Due to the weakening construction market, steel demand is expected to decrease slightly compared to the previous year
 - Production is anticipated to be maintained at a similar level to last year

Demand(Apparent Consumption)



* Source : KOSA, Korea Customs Service

Production(Crude, Finished)

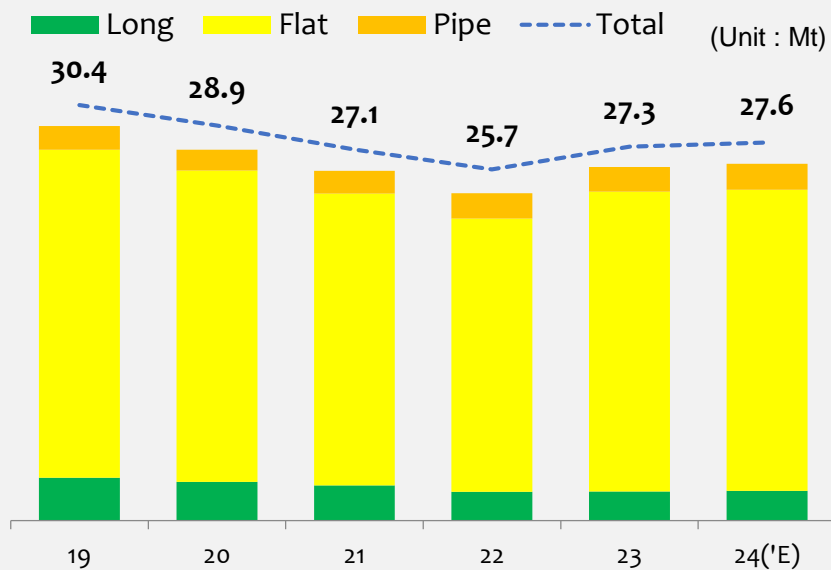


* Source : KOSA, Korea Customs Service, Worldsteel

4. Trade - Exports

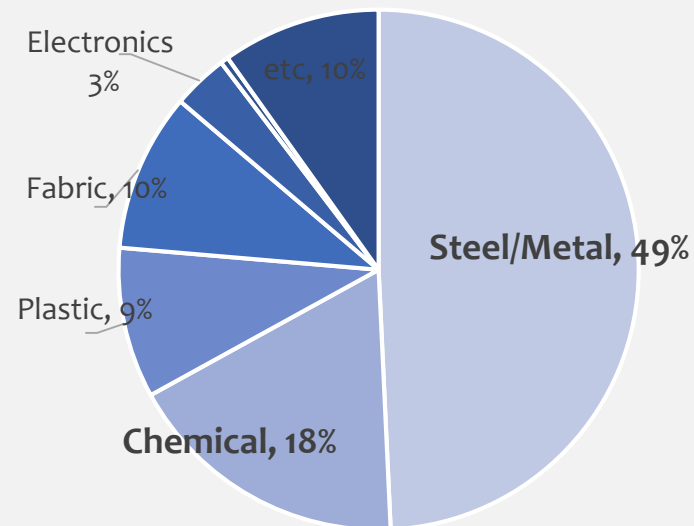
- Exports are expected to increase slightly (~1%) as global demand is growing (+1.9%)
- Not only traditional strengthening of AD and CVD measures, it is anticipated that carbon regulations, non-tariff barriers, and regional blocs will also impact steel exports

Exports



* Source : KOSA, Korea Customs Service

Trade Remedies Status

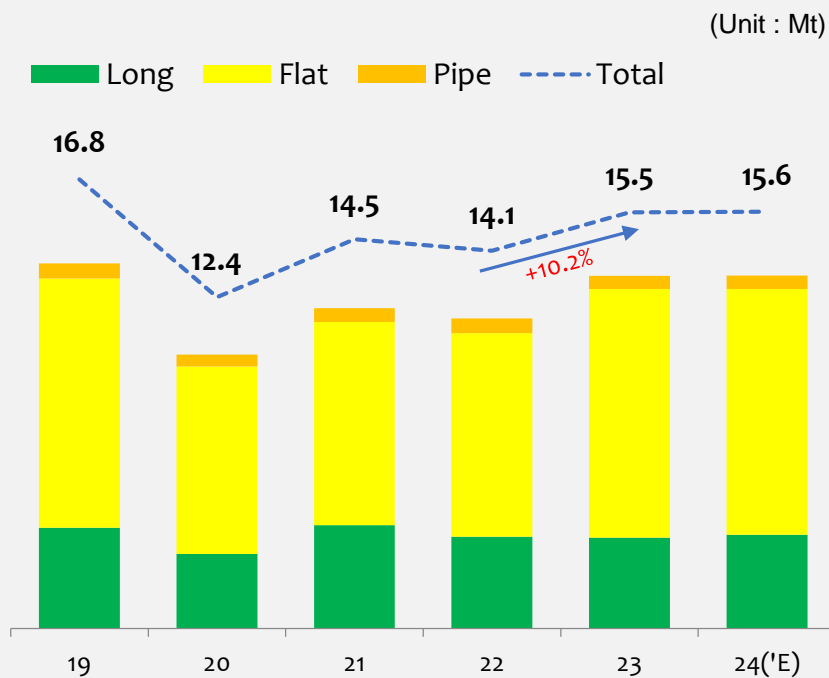


* Source : KITA

4. Trade - Imports

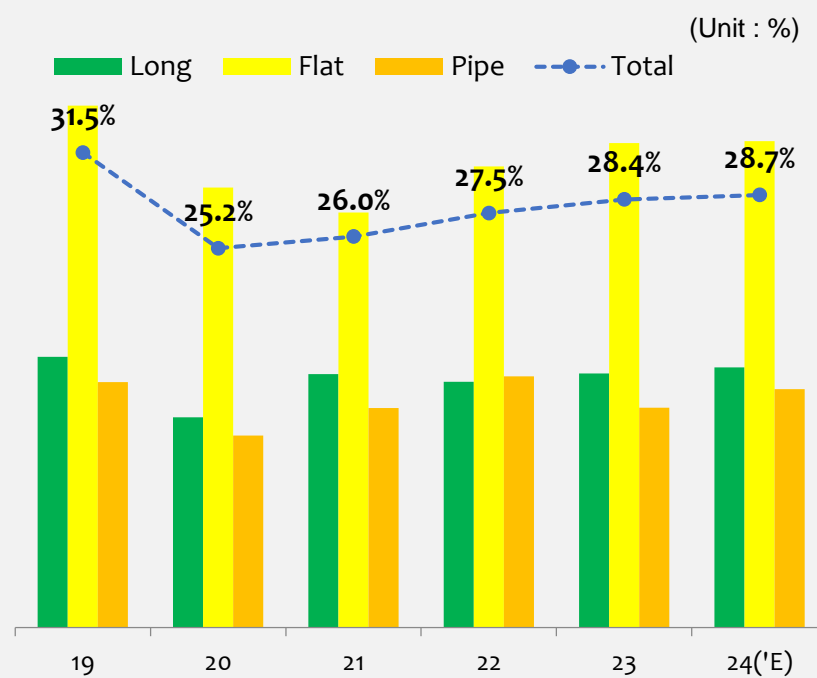
- Despite weak domestic demand, imports have increased by 10%
 - The excess capacity exacerbates the global steel market, as well as the Korean steel industry

Imports



* Source : KOSA, Korea Customs Service

Imports Penetration



* Source : KOSA, Korea Customs Service

5. Efforts to achieve Net Zero

- **Strengthening Response to the CBAM**
 - Hosting Seminars, consultation on Reporting Methods
 - Upgrading ERP system, emission measurement method and management
- **Investment on cleaner Technologies**
 - Expanding the share of EAF in production, increasing energy efficiency
 - Development of Innovative Technologies(Hyrex, CCUS, etc)
- **Utilization of Scrap**
 - Institutional Amendment for Perception Shift and Enhanced Utilization
 - Enhancement of Quality Management and Development of Related Standards

Getting Greener Together: the Collective Effort to Reaching Net Zero

Thank you

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