

US import of China tyres may rise on expiry of 3-year elevated tariffs

BEIJING : China's tyre exports to USA may rebound as three-year elevated tariffs on passenger and light truck tyres imposed on China imports has expired on September 26.

According to China Rubber Industry Association, tyre makers in Shandong Province were gearing up to export more tyres to US. The elevated tariffs did not find much support even in USA where the Tire Industry Association said it did not help the American workers.

The elevated tariffs caused China tyre imports to fall from 39.6 mn in 2008 to 22 mn last year. Through the first half of 2012, car tyre imports from China were up 8.8 percent over 2011 to more than 12.8 million units, or 20 percent of all tires imported, according to available trade data.

Industry analysts generally agree with TIA regarding the effect of the tariffs. In a Sept. 26 report, BB&T Capital Markets quoted general industry and Obama administration feedback as indicating that the tariffs saved an estimated 1,000-1,200 U.S.tire manufacturing jobs, but at a total cost to American consumers of approximately \$1 billion.