NOTICE OF INITIATION Anti-dumping duties on certain hot-rolled flat products of iron, non-alloy steel or other alloy steel imported into the United Kingdom from Ukraine. Case No. SR0025

Initiation of a Suspension Investigation

The Trade Remedies Authority (TRA) provides notice of the initiation of a suspension investigation regarding anti-dumping duties on certain hot rolled flat products of iron, non-alloy steel or other alloy steel from Ukraine, as set out under <u>Taxation Notice</u> <u>2020/17</u>, which gives effect under United Kingdom (UK) law to the EU trade remedies measure specified in <u>Notice of Determination 2020/17</u>.

The date of initiation of the suspension investigation is 24 June 2022.

DESCRIPTION OF THE GOODS

Certain hot-rolled flat products of iron, non-alloy or other alloy steel whether or not in coils (including 'cut-to-length' and 'narrow strip' products), not further worked than hot-rolled, not clad, plated or coated.

The following product types are excluded:

- products of stainless steel excluding grain-oriented silicon electrical steel;
- products of tool steel and high speed steel; and
- products not in coils, without patterns in relief, of a thickness exceeding 10mm and of a width of 600mm or more * products not in coils, without patterns in relief, of a thickness of 4.75mm or more but not exceeding 10mm and of a width of 2.5m or more.

The hot-rolled flat products listed above (the Goods) are currently classifiable within the following

commodity code(s);

72 08 10 00 00	72 08 40 00 00	72 11 19 00 00
72 08 25 00 00	72 08 52 10 00	72 25 19 10 90
72 08 26 00 00	72 08 52 99 00	72 25 30 90 00
72 08 27 00 00	72 08 53 10 00	72 25 40 60 90
72 08 36 00 00	72 08 53 90 00	72 25 40 90 00
72 08 37 00 00	72 08 54 00 00	72 26 19 10 90
72 08 38 00 00	72 11 13 00 00	72 26 91 91 00
72 08 39 00 00	72 11 14 00 00	72 26 91 99 00

The commodity code 72 26 19 10 90 was replaced by commodity codes 72 26 19 10 91 and 72 26 19 10 95 on 9 July 2021.

Exporting countries

Ukraine

INITIATION OF A SUSPENSION INVESTIGATION

The TRA has received information from the Government of Ukraine indicating that there has been a change in market conditions of a temporary nature. We consider that this temporary change in market conditions has had an effect on UK industry. As a consequence of the change in market conditions, the injury to UK industry would be unlikely to recur if the application of the anti-dumping amount is suspended.

The TRA has considered this information in accordance with the conditions set out under regulations 85(4) and 86(2) of The Trade Remedies (Dumping and Subsidisation) (EU Exit) Regulations 2019 (the Regulations). We consider that:

- Market conditions have changed because of a significant reduction in both the output of the Goods by Ukrainian producers and in the export of these Goods to the UK from Ukraine. Furthermore, future residual domestic production capacity within Ukraine is likely to be focused on meeting domestic demand rather than servicing international markets. As a result, the global supply of the Goods has reduced and the cost in the global market has increased.
- This change is of a temporary nature because rerouting of production and logistics is underway to improve supply lines. Reduced levels of production of the Goods are continuing in Ukraine and Ukrainian producers are likely to be seeking to move production to provinces that are less affected by the conflict. Therefore, we consider that export of the Goods may resume in future.
- UK industry has seen a rise in costs of the Goods as a result of the change in market conditions.
- Injury to UK industry is unlikely to recur if the application of the anti-dumping amount is suspended. The capacity for Ukraine to export the Goods has decreased and we consider it likely that Ukraine has a reduced capacity to dump the Goods due to the increase in costs of production and export.

ISSUES FOR CONSIDERATION

The investigation will consider -

- whether the market conditions have changed temporarily;
- whether injury caused to the UK industry is unlikely to recur if the application of the anti-dumping amount were to be suspended;
- whether the suspension is appropriate; and
- the appropriate length of any suspension.

PROPOSED SUSPENSION

The proposal is that the application of anti-dumping duties on the Goods is suspended for a period not exceeding nine months from the date of publication of the public notice giving effect to the suspension, in accordance with regulation 87(1) of the Regulations.

HOW TO TAKE PART IN THE SUSPENSION INVESTIGATION

As part of the investigation, UK industry will have the opportunity to comment on the proposed suspension set out above.

Anyone interested in taking part in the investigation can register their interest and provide comments through the <u>Trade Remedies Service</u> by **11 July 2022**.

Please contact <u>SR0025@traderemedies.gov.uk</u> if you have any difficulties using this service.

Anyone requesting that information be treated as confidential should provide a nonconfidential summary of that information or a statement of reasons why it cannot be summarised. Please contact <u>SR0025@traderemedies.gov.uk</u> if you cannot provide a non-confidential version.

Our <u>Suspension Investigations Guidance</u> provides further information regarding the investigation process.

Oliver Griffiths Chief Executive Officer Trade Remedies Authority

24 June 2022