

## NOTICE OF INITIATION

### Safeguard measure on certain steel products

# Initiation of a Tariff Rate Quota Review – Review of Developing Country Exception for Category 13 Steel - Rebar

## Review No. TQ0030

The Trade Remedies Authority (the TRA) makes the following Notice under regulation 35B(5)(a) of The Trade Remedies (Increase in Imports Causing Serious Injury to UK Producers) (EU Exit) Regulations 2019<sup>1</sup> (the Regulations) to initiate a tariff rate quota (TRQ) review into certain steel products.

This review concerns whether the exception status of three developing countries identified below needs to be revised, following the measure imposed as a result of the reconsideration of the transition review TF0006 from 1 July 2022 and the TRQ DCE review SM0016 from 1 July 2022. Details of the measure imposed are set out in:

- <u>Trade remedies notice 2022/01: safeguard measure: tariff-rate quota on steel</u> <u>goods</u>
- <u>Trade remedies notice 2022/02: safeguard measure: tariff-rate quota on steel</u> <u>goods</u> published by the Secretary of State for International Trade (the Secretary of State) on 30 June 2022 and with effect from 1 July 2022.

The date of initiation of the review is **16 January 2023**.

## **INITIATION OF A TRQ REVIEW**

An application to initiate a TRQ review (the Application) has been lodged by Celsa Steel (UK) Ltd, Building 58, Castle Works, East Moors Road, Cardiff, CF24 5NN (the Applicant).

The Application contains information which, in accordance with regulation 35B(1), indicates a change in circumstances following the implementation of the measure. The information indicates between January 2022 and June 2022, a rapid change in the level of imports from certain developing countries benefiting from the Developing Country Exception (DCE) (regulation 43 of the Regulations) of safeguard measure on category 13 steel products (i.e. relevant TRQs and a 25% safeguarding duty). The Application identifies exports from India, the United Arab Emirates, Oman, and Egypt to the United Kingdom (UK) may have increased rapidly, to the point they may not currently meet the requirements to benefit from the referred exception. When the

<sup>&</sup>lt;sup>1</sup> S.I. 2019/449.

current measure was put in place, India was moved out of the DCE after an assessment of market share, and currently has access to the residual quota allocation. Therefore, India no longer benefits from the DCE and will not be assessed during this DCE review.

Having assessed the Application, the TRA considers that the Applicant has provided sufficient information to substantiate the need for a TRQ review.

# **ISSUES FOR CONSIDERATION IN A TRQ REVIEW**

When conducting this TRQ review, the TRA will refer to available information to determine whether there has been a change in circumstances since the application of the relevant tariff rate quota.

A change in circumstances may, among other things, be:

- the fact that imports from a developing country member of the WTO, which have been excluded from the application of the TRQ, can no longer be excluded under the developing country exception; and
- the fact that imports from a developing country member of the WTO which have not been excluded from the application of the TRQ should be excluded under the developing country exception.

During the TRQ review the TRA may consider:

- whether the amount or allocation of the TRQ is appropriate for domestic market conditions;
- the desirability of maintaining, as far as possible, traditional trade flows; and
- any other factors that the TRA considers relevant.

## HOW TO TAKE PART IN THE REVIEW

#### **Registration period**

Anyone interested in taking part in the review can register their interest through the <u>Trade Remedies Service</u> by **30 January 2023**.

Please contact TQ0030@traderemedies.gov.uk if you have any difficulties using this service.

Anyone registering their interest after **30 January 2023** may not be able to participate fully in the review process.

#### Interested parties and contributors

Interested parties may include:

- the government(s) of the relevant foreign country(s) or territory(ies);
- an overseas exporter or importer of the Goods Subject to Review;
- an overseas producer of the Goods Subject to Review

- a trade or business association of producers, overseas exporters or importers of the Goods Subject to Review;
- a producer of like goods and/or directly competitive goods in the UK; and
- a trade or business association of UK producers of like goods and/or directly competitive goods.

Contributors are those, other than interested parties, who have notified the TRA to advise that they would like to participate in the review.

Like goods are goods which are like the Goods Subject to Review in all respects, or if there are no such goods, those which have characteristics closely resembling the Goods Subject to Review.

Directly competitive goods are goods produced in the UK which are directly competitive with the Goods Subject to Review.

## THE GOODS SUBJECT TO REVIEW

The Goods Subject to Review are:

Category 13 Steel - Rebar

The Goods Subject to Review are subject to the following tariff classifications:

72142000, 72149910

## **PERIOD OF INVESTIGATION (POI)**

The period of investigation for this review is 1 January 2022 to 31 December 2022. During the review, the TRA will consider data for this period to assess a change in circumstances since the application of the TRQs on the Goods Subject to Review.

## SUMMARY OF THE REVIEW PROCESS

The review will involve the following process:

- inviting parties to register their interest in the review;
- analysing information gathered;
- publication of a Statement of Intended Final Determination (SIFD), which will set out a summary of the facts considered during the review and the recommendation which will be put forward for a Final Determination;
- gathering comments on the SIFD on publication of the SIFD we will set a period of time, which will be no longer than 15 days, during which parties will be able to comment on the SIFD; and
- making a Final Determination on whether to maintain or vary the TRQ.

At the end of the review, a recommendation will be made by the TRA to the Secretary of State for International Trade (the Secretary of State) which may include

provision for the TRQ measure to be maintained or varied. The Secretary of State will then decide whether to accept or reject that recommendation.

### Oral hearings

Interested parties can request a hearing during the review process using the <u>Trade</u> <u>Remedies Service.</u>

For further information about hearings, please see our <u>Meetings, Hearings and Visits</u> guidance.

### **Confidential information**

Information provided during a review may be treated as confidential. Anyone requesting that information be treated as confidential must demonstrate why and provide:

- a non-confidential summary of that information; or
- where that is not possible, a statement of reasons explaining why the information should be treated as confidential, and why it cannot be summarised.

### FURTHER INFORMATION

Our <u>Trade Remedies Guidance</u> provides more information about the investigations process, including our requirements for <u>submitting and summarising confidential</u> <u>information</u>.

Oliver Griffiths Chief Executive Officer Trade Remedies Authority 16 January 2023

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