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Committee on Safeguards

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**NOTIFICATION PURSUANT TO ARTICLE 12
OF THE AGREEMENT ON SAFEGUARDS**

**NOTIFICATION PURSUANT TO ARTICLE 9.1, FOOTNOTE 2
OF THE AGREEMENT ON SAFEGUARDS**

UNITED KINGDOM

Certain steel products

Supplement

The following communication, dated and received on 9 August 2024, is being circulated at the request of the delegation of the United Kingdom.

Pursuant to Article 12 of the WTO Agreement on Safeguards, the United Kingdom notifies that its competent authority, the Trade Remedies Authority (TRA), proposes changes to the tariff rate quota (TRQ) applying to imports of product category 1, non-alloy and other alloy hot-rolled sheet and strip, under the safeguard measure on certain steel products.

By way of background, on 9 February 2024, the TRA initiated a TRQ review following applications from industry which indicated a change in circumstances and market conditions, as set out in document [G/SG/N/10/GBR/1/Suppl.15](#).

On 9 August 2024, the TRA published its Statement of Intended Final Determination (SIFD), in which it has proposed adjusting the quota amount and allocations. This is open to comment from interested parties until 19 August 2024. See procedures section below. The UK also welcomes further discussions with Members on this matter.

More details on the TRQ review, including the TRA's SIFD¹, can be found on the Trade Remedies Service platform at: <https://www.trade-remedies.service.gov.uk/public/case/TQ0052/#public-file>.

The suspension review of category 1 also announced on 9 February 2024 and notified in document [G/SG/N/10/GBR/1/Suppl.15](#) is ongoing separately. Details of this review can be found on the [Trade Remedies Service](#) platform at: <https://www.trade-remedies.service.gov.uk/public/case/SS0051/#public-file>.

¹ The TRA's Statement of Intended Final Determination is also available from the WTO Secretariat. To consult it, please contact Ms Anne Richards of the Rules Division (anne.richards@wto.org).

1. Provide the precise description of the product(s) involved

The goods subject to this TRQ review are:

| Product Number | Product Category | Commodity Codes |
|----------------|--|--|
| 1 | Non-alloy and other alloy hot-rolled sheets and strips | 72081000, 72082500, 72082600, 72082700, 72083600, 72083700, 72083800, 72083900, 72084000, 72085210, 72085299, 72085310, 72085390, 72085400, 72111300, 72111400, 72111900, 72126000, 72251910, 72253010, 72253030, 72253090, 72254015, 72254090, 72261910, 72269120, 72269191, 72269199 |

2. Provide precise description of the proposed adjustments

The TRA has established that there has been a change in circumstances relevant to the application of the safeguard TRQ with respect to category 1 as a result of changes at Tata Steel UK's site in Port Talbot. The TRA found evidence that there has been a change in demand for the import of category 1 steel used for downstream processing for other product categories covered by the safeguard measure. The TRA found that the quota, specifically the residual quota, has been repeatedly exhausted across four consecutive quarters, which has had an adverse impact on UK importers, stockists and distributors.

The TRA has therefore proposed to recommend two options to the Secretary of State for Business and Trade:

- Duplicating the existing category 1 quotas to form categories 1A and 1B, varying the quota allocation for category 1B to create a global quota for downstream processing with a cap on exports from any single country of between 37 and 42%, and increasing the quota amount for category 1B by 89%. This is the TRA's preferred option. The category 1A quotas would maintain existing amounts and allocations.
- Duplicating the existing category 1 quotas exactly as outlined above, but without a cap on exports from any single country.

The proposed quota allocations can be found in the Annex.

For further information on the change in circumstances, please consult *Section C: Assessment* in the TRA's SIFD.

3. Provide proposed date or actual date of introduction of the adjustments

Subject to further comments and evidence from interested parties, the TRA's recommendation to the Secretary of State and the Secretary of State's decision, the proposed changes to the TRQ would take effect on 1 October 2024 (at the start of quarter 2 of the UK's steel safeguard).

4. Procedures relevant to the review

Members are invited to submit comments in response to the SIFD by 23:59 BST on 19 August 2024. Submissions must be made via the [Trade Remedies Service](#) and must be accompanied by a non-confidential version or summary for the public file.

Please direct correspondence to TQ0052@traderemedies.gov.uk.

The TRA will take account of further submissions and may change its position accordingly in making their final recommendation to the Secretary of State for Business and Trade. An indicative timeline is available on the Trade Remedies Service platform at: <https://www.trade-remedies.service.gov.uk/public/case/TQ0052/#public-file>

The UK also welcomes bilateral engagement with Members on the matter. We invite interested Members to reach out to the UK Mission in the first instance.

Annex:

Quota amount and allocation for 1 July 2024 to 30 June 2025:

Quarter 1: 1 July 2024 to 30 September 2024
 Quarter 2: 1 October 2024 to 31 December 2024
 Quarter 3: 1 January 2025 to 31 March 2025
 Quarter 4: 1 April 2025 to 30 June 2025

Quota amount and allocation for 1 July 2025 to 30 June 2026:

Quarter 1: 1 July 2025 to 30 September 2025
 Quarter 2: 1 October 2025 to 31 December 2025
 Quarter 3: 1 January 2026 to 31 March 2026
 Quarter 4: 1 April 2026 to 30 June 2026

Current Category 1 Quota:

Table 1: Quota amount and allocation for 1 July 2024 to 30 June 2025:

| Country | Q1 quota (in tonnes) | Q2 quota (in tonnes) | Q3 quota (in tonnes) | Q4 quota (in tonnes) |
|----------------|-------------------------|-------------------------|-------------------------|-------------------------|
| EU | 187,484 | 187,484 | 183,409 | 185,446 |
| Türkiye | 24,616 | 24,616 | 24,081 | 24,349 |
| Chinese Taipei | 13,704 | 13,704 | 13,407 | 13,556 |
| Residual | 23,587 | 23,587 | 23,074 | 23,331 |
| Total | 249,391 | 249,391 | 243,971 | 246,682 |

Table 2: Quota amount and allocation for 1 July 2025 to 30 June 2026:

| Country | Q1 quota (in tonnes) | Q2 quota (in tonnes) | Q3 quota (in tonnes) | Q4 quota (in tonnes) |
|----------------|----------------------|----------------------|----------------------|----------------------|
| EU | 193,109 | 193,109 | 188,911 | 191,010 |
| Türkiye | 25,355 | 25,355 | 24,804 | 25,079 |
| Chinese Taipei | 14,116 | 14,116 | 13,809 | 13,962 |
| Residual | 24,295 | 24,295 | 23,766 | 24,030 |
| Total | 256,875 | 256,875 | 251,290 | 254,081 |

Proposed Category 1A

Table 3: Quota amount and allocation for 1 October 2024 – 30 June 2026:

| Country | Q2 quota (in tonnes) | Q3 quota (in tonnes) | Q4 quota (in tonnes) |
|----------------|-------------------------|-------------------------|-------------------------|
| EU | 187,484 | 183,409 | 185,446 |
| Türkiye | 24,616 | 24,081 | 24,349 |
| Chinese Taipei | 13,704 | 13,407 | 13,556 |
| Residual | 23,587 | 23,074 | 23,331 |
| Total | 249,391 | 243,971 | 246,682 |

Table 4: Quota amount and allocation for 1 July 2025 – 30 June 2026:

| Country | Q1 quota (in tonnes) | Q2 quota (in tonnes) | Q3 quota (in tonnes) | Q4 quota (in tonnes) |
|----------------|----------------------|----------------------|----------------------|----------------------|
| EU | 193,109 | 193,109 | 188,911 | 191,010 |
| Türkiye | 25,355 | 25,355 | 24,804 | 25,079 |
| Chinese Taipei | 14,116 | 14,116 | 13,809 | 13,962 |
| Residual | 24,295 | 24,295 | 23,766 | 24,030 |
| Total | 256,875 | 256,875 | 251,290 | 254,081 |

Proposed Category 1B

Table 5: Quota amount and allocation for 1 October 2024 – 30 June 2025:

| Country | Q2 quota (in tonnes) | Q3 quota (in tonnes) | Q4 quota (in tonnes) |
|----------------|---------------------------------|---------------------------------|---------------------------------|
| Total | 471,349 | 461,105 | 466,229 |
| 37 - 42% cap | 174,399 – 197,967 | 170,609 – 193,664 | 172,505 – 195,816 |

Table 6: Quota amount and allocation for 1 July 2025 – 30 June 2026:

| Country | Q1 quota (in tonnes) | Q2 quota (in tonnes) | Q3 quota (in tonnes) | Q4 quota (in tonnes) |
|----------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| Total | 485,494 | 485,494 | 474,938 | 480,213 |
| 37 - 42% cap | 179,633 – 203,907 | 179,633 – 203,907 | 175,727 – 199,474 | 177,679 – 201,689 |