Trade Remedies Authority

Tariff Rate Quota Review

Case TQ0066

Statement of Intended Final Determination

Contents

A Summary

A1 Introduction

1. The Statement of Intended Final Determination (SIFD) sets out the essential facts that the Trade Remedies Authority (TRA) established during this Tariff Rate Quota (TRQ) review, and upon which it has based its Intended Final Determination. It should be read in conjunction with other documents available for this case on the public file.

2. Parties are invited to make submissions in response to the SIFD via the Trade Remedies Service (TRS) by 23:59 UK time on 26 May 2025. Please contact TQ0066@traderemedies.gov.uk if you have any difficulties using this service.

3. Anyone requesting that information be treated as confidential must demonstrate why and provide a non-confidential summary of that information, or a statement of reasons why it cannot be summarised. Please contact TQ0066@traderemedies.gov.uk if you cannot provide a non-confidential version.

4. For further guidance and information regarding TRQ reviews, please see our public guidance.

A2 Legal framework

5. This SIFD is made pursuant to regulations 29 and 36(4)(A) of the Trade Remedies (Increase in Imports Causing Serious Injury to UK Producers) (EU Exit) Regulations 2019 (as amended) (the Safeguard Regulations). It includes:

- the final determination that the TRA intends to make;
- a summary of the facts considered during the review; and
- details of the facts and analysis forming the basis of the intended determination.

A3 About this review

6. This is a TRQ review of a trade remedy measure under regulation 35B of the Safeguard Regulations. As per regulation 35B(1), the TRA may conduct a TRQ review where it is satisfied that there is sufficient information indicating that there may have been a change of circumstance since the application of the tariff rate quota.

7. On 28 February 2025, the TRA initiated this TRQ review, noting that it had reviewed trade data which indicated that there may have been a change of circumstances which corresponds with the provisions in regulation 35B(9)(f) and regulation 35B(9)(g), namely that import levels from certain developing countries had changed since the application of the measure.

8. Regulation 43 of the Safeguard Regulations provides an exception from a safeguarding measure for a developing country member of the World Trade Organisation (WTO)

whose individual share of total imports of the goods concerned into the UK does not exceed 3%.

9. These ‘low volume exporters’ are excepted from the measure as long as their collective share of total imports into the UK of the goods concerned does not exceed 9% of the total imports of the goods concerned into the UK.

10. Regulation 44 of the Safeguard Regulations also provides an exception from the application of a safeguard measure to certain countries which have this stated in a Free Trade Agreement (FTA) with the UK. This allows the TRA to remove imports from those countries with applicable FTA/EPAs while calculating import totals during the period of investigation from the scope of the steel safeguards measures. The FTA partners with such FTA provisions are listed in Annex 1.

11. Following initiation of the TRQ review, UK Steel made a submission to the TRA that there were further grounds for a TRQ review. This included information which indicated that there may have been a change of circumstances with respect to the exhaustion of the residual quota in certain product categories, and a change in demand for steel since the application of the relevant tariff rate quota.

12. The TRA determined that these claims could most effectively be assessed by incorporating these matters within the existing TRQ review.

13. On 21 March 2025, the TRA published a notice of its intention to expand the matters being considered in the TRQ review and to provide parties with an opportunity to comment prior to formally expanding the matters being considered.

14. On 26 March 2025, the TRA issued an amended Notice of Initiation (NOI) to advise that the range of matters being considered had been expanded to include:

- The fact that the tariff rate quota, or any part of the quota, has been exhausted; and
- A change in demand for the relevant goods.

15. The Period of Investigation (POI) for the review to assess the change in circumstances is 1 January 2024 to 31 December 2024. The representative period for assessing traditional trade flows is the calendar years 2017 to 2019.

B Background and initiation

B1 Background to the safeguard measure

16. Details of the measure currently imposed, including the tariff rate quotas, are set out in:

- Trade remedies notice 2024/06: safeguard measure: tariff-rate quota on steel goods
- Trade remedies notice 2024/08: safeguard measure: tariff-rate quota on steel goods
- Trade remedies notice 2025/02: Safeguarding measure on category 2 steel products

17. This TRQ review has considered whether the tariff rate quotas to which certain steel products are subject should be varied. The goods subject to review are listed in Annex 3.

B2 Initiation and registered parties

18. When the TRA initiated the TRQ review, it provided an opportunity for parties to register their interest and provide comments. A further opportunity was provided when the TRA published its amended NOI. A list of parties who registered is set out in this table:

Name	Abbreviation	Category	Submission
Duferco UK Limited	Duferco	Importer	Registration of Interest
Hadley Industries PLC	Hadley	Importer	Registration of Interest
Salzgitter Mannesmann UK Limited	Salzgitter	Importer	Registration of Interest General
Tinsley Bridge Limited	Tinsley	Importer	Registration of Interest
Suez Steel Company	Suez steel	Exporter	Registration of Interest
Al Ezz Dekheila Steel Company	Al Ezz	Overseas Producer	Registration of Interest
Elsafwa Steel Company	Elsafwa	Overseas Producer	Registration of Interest
Ezz Steel	Ezz	Overseas Producer	Registration of Interest
Elmarakbysteel	Elmarakbysteel	Overseas Producer	Registration of Interest General

Ministry of Commerce, India	Ministry of Commerce, India	Foreign Government	Registration of Interest Registration of Interest (2) Registration of Interest (3)
The Ministry of Trade of Republic of Türkiye	The Ministry of Trade of Republic of Türkiye	Foreign Government	Registration of Interest
Trade remedies sector (Egypt)	Trade remedies sector (Egypt)	Foreign Government	Registration of Interest
Confederation of British Metalforming	CBM	Trade Body	Registration of Interest
The International Steel Trade Association	ISTA	Trade Body	Registration of Interest General
EEF Limited	UK Steel	Trade Body	Registration of Interest General
POSCO International Corporation	POSCO International	Importer	Registration of Interest
Steel Processing (Midlands) Limited	SPM	Importer	Registration of Interest General
All Steels Trading Limited	AST	Importer	Registration of Interest
Sebden Steel Service Centres Ltd	Sebden	Importer	Registration of Interest General General (2)
OPR Services LTD	OPR	Importer	Registration of Interest
Celsa Steel (UK) Limited	Celsa	Domestic Producer	Registration of Interest
TATA Steel UK Limited	TSUK	Domestic Producer	Registration of Interest
Belmont & Knott LTD	Belmont	Importer	Registration of Interest
C.J. Upton & Sons Limited	C.J. Upton	Importer	Registration of Interest
HI-Tech Steel Services Limited	HI-Tech Steel	Importer	Registration of Interest
Stemcor Distribution Limited	Stemcor	Importer	Registration of Interest
OKAYA Europe GmbH	Okaya	Exporter	Registration of Interest
POSCO	POSCO	Exporter	Registration of Interest

ASD Limited	ASD	Industrial User of Product	Registration of Interest
Caterpillar (U.K.) Limited	Caterpillar	Industrial User of Product	Registration of Interest
HY-Ten Limited	Hy-Ten	Industrial User of Product	Registration of Interest
L.M. Products Limited	L.M. Products	Industrial User of Product	Registration of Interest
Progress Rail Services UK Limited	Progress Rail	Industrial User of Product	Registration of Interest
BIRFA LTD	Birfa	Trade Body	Registration of Interest
Korea Iron and Steel Association	KOSA	Trade Body	Registration of Interest
Government of the Republic of Korea	GOK	Foreign Government	Registration of Interest General
National Association of Steel Stockholders/Service Centres	NASS	Contributor	Registration of Interest

C Review process

C1 Overview

19. To identify whether there had been a change of circumstances since the application of the tariff rate quota to the good subject to review, the POI was set as 1 January 2024 to 31 December 2024. This is the most recent 12-month period prior to initiation of the review. By conducting the analysis over a 12-month period, the TRA was able to identify representative trade patterns for the products in scope and minimise distortions based on fluctuations of trade at different times of the year.

C2 Scope

C2.1 Countries

20. This review considers imports from all countries subject to the safeguard measure as well as those from developing countries who currently are excepted from the safeguard measure.

21. With regard to assessing the developing country exception, developing country members of the WTO considered in this TRQ review are listed in Annex 2.

C2.2 Goods Subject to Review

22. ‘Goods subject to review’ is defined in regulation 2 of the Safeguard Regulations as ‘the goods described in the notice of initiation of a review’. The goods subject to review in this TRQ review are listed in Annex 3.

C3 Change of Circumstances

23. In conducting a TRQ review, the TRA must determine whether there has been a change of circumstances since the application of the relevant tariff rate quota (Regulation 35B(6)(b)). Regulation 35B(9) states that a change of circumstances may, among other things, be:

    - the fact that the tariff rate quota, or any part of the quota, has been exhausted;
    - a change in demand for the relevant goods;
    - the fact that imports from a developing country member of the WTO which have been excluded from the application of the tariff rate quota can no longer be excluded under regulation 43 (developing country exception);
    - the fact that imports from a developing country member of the WTO which have not been excluded from the application of the tariff rate quota should be excluded under regulation 43.

24. A summary of the change in circumstances that was found in this review is set out in the following section. There is overlap between the circumstances of quota exhaustion and change in demand. These have therefore been addressed together in Section D1. The

change in circumstances relating to the developing country exception are addressed in Section D2.

C4 Summary of facts considered

C4.1 HMRC data

25. To analyse trade flows in this TRQ review, we have used 10-digit raw Customs Declarations data that has been shared with us by His Majesty's Revenue and Customs (HMRC). This data had not gone through any cleaning or validation processes prior to being shared with us.

26. The dataset used in this review is country of origin data for all imports apart from imports from the EU into Northern Ireland, which is country of dispatch. Country of origin data provides a more accurate picture of where imports are coming from than country of dispatch data. HMRC publishes country of origin (as well as country of dispatch) information for all UK goods imports at CN8 level, however country of origin information is only available in HMRC's bulk data sets, published here.

C4.2 Submissions

27. Following initiation of this review, parties were provided with an opportunity to provide comments or submissions on the review. All comments and submissions were reviewed by the TRA. The non-confidential versions of all the registration forms and submissions to this review can be found on the public file.

C4.3 Other

28. Other sources of information which the TRA has used in this review are referred to in the appropriate sections.

D Change in circumstances

D1 Quota exhaustion and change in demand

D1.1 Quota exhaustion - background

29. Regulation 35B(9) states that a change of circumstances may, among other things, be:

- the fact that the tariff rate quota, or any part of the quota, has been exhausted;
- a change in demand for the relevant goods;

30. In its submission, UK Steel claimed that the residual quotas for certain product categories were exposed to diverted trade. In particular, it said that the residual quotas for categories 4, 7, and 13 were each dominated by a single importing country (Vietnam, Republic of Korea, and Algeria respectively).[1]

31. The UK Integrated Online Tariff tool provides daily updated balances of tariff quotas. The TRA has used this tool to evaluate the quota utilisation rates during the POI for all categories currently subject to the safeguard measure. The TRA has also used 10-digit raw Customs Declarations data that has been shared with us by His Majesty's Revenue and Customs (HMRC). This data had not gone through any cleaning or validation processes prior to being shared with us.

32. The TRA has noted that the residual quotas of the following categories were exhausted in at least one quarter of the POI:

- Category 5 (Q4)
- Category 13 (all quarters)
- Category 16 (Q2)
- Category 17 (Q2 and Q4)
- Category 21 (Q4)

33. Across the POI, the utilisation rate of the residual quota of Category 4 was around 90%, but there was increased utilisation in the final three quarters. This high utilisation rate has continued in the first quarter of 2025, where the utilisation rate was 96%. In the POI,

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[1] UK Steel submission, 24 March 2025 (https://www.trade-remedies.service.gov.uk/public/case/TQ0066/submission/7d84c26d-b9c1-431b-83f5-dc1dec9e1bc2/)

imports from Vietnam accounted for 62% of goods imported under the residual quota, with about 37% being imported from the Republic of Korea.

34. In the POI, the utilisation rate of Category 7 was 52%, but the use of residual quota was dominated by the Republic of Korea (accounting for 80% of imports in the residual quota).

35. During the POI, the residual quota for Category 13 was exhausted in each quarter. The majority of imports in the residual quota came from Algeria (86%), with 14% coming from Egypt.

36. In Category 5, during the POI, 62% of imports in the residual quota came from Vietnam.

37. In Category 16, during the POI, 90% of imports in the residual quota came from Türkiye.

38. In Category 17, during the POI, 55% of imports in the residual quota came from Türkiye.

39. In Category 21, during the POI, 92% of imports in the residual quota came from the United Arab Emirates' (UAE).

40. The TRA accepts that there is evidence that part of the quota allocation for categories 5, 13, 16, 17, and 21 has been exhausted. Whilst the residual quotas for Categories 4 and 7 have not been exhausted in the POI, the TRA's analysis indicates that there are points to consider around the dominance of the residual quota by individual source countries. This will be discussed in Section D1.3.4.

D1.2 Change in demand - background

41. The TRA has also assessed whether there has been a change of demand for the relevant goods that constitutes a change of circumstances.

42. In its submission to the TRA, UK Steel noted that there had been a fall in demand for steel, both in the UK and globally. It noted that UK demand for steel had contracted by 16% between 2018 and 2023. It contrasted this with the continuous liberalisation of quotas since the safeguard measure came into effect.[2] In its subsequent submission[3],

[2] UK Steel submission, 24 March 2025 (https://www.trade-remedies.service.gov.uk/public/case/TQ0066/submission/7d84c26d-b9c1-431b-83f5-dc1dec9e1bc2/)

[3] UK Steel submission, 8 April 2025 (https://www.trade-remedies.service.gov.uk/public/case/TQ0066/submission/4e754933-6a51-4782-bbfd-b901b73845d1/)

UK Steel provided the following data which indicated that there had been a notable fall in demand for steel in the categories subject to the safeguard measure:

Demand index	**2021**	**2022**	**2023**	**2024**
Category 1: hot-rolled sheet and strip	100	88	92	105
Category 4: metallic coated sheet	100	72	72	75
Category 5: organic coated sheet	100	94	64	76
Category 6: tin mill products	100	84	75	75
Category 7: non-alloy and other alloy quarto plates	100	100	104	93
Category 12A: alloy merchant bars and light sections	100	96	77	78
Category 12B: non-alloy merchant bars and light sections	100	64	64	62
Category 13: rebar	100	119	94	100
Category 16: wire rod	100	98	85	91
Category 17: angles, shapes, and sections	100	81	70	77
Category 19: railway material	100	104	54	50
Category 20: gas pipe	100	107	87	85
Category 21: hollow section	100	83	77	82
Category 25A: large welded tube (1)	100	54	83	73
Category 25B: large welded tube (2)	100	64	152	176
Category 26: other welded tube	100	103	114	106

43. Globally, there has been a drop in demand for steel in a number of countries. This includes the People's Republic of China (PRC), partly as a result of the downturn in the real estate sector. In its most recent short range outlook, World Steel expected there to be a 3% decline in demand for steel in the PRC in 2024 and a further 1% in 2025. It also projected that steel demand in the developed world was likely to suffer a 2% decrease in 2024.[4]

44. At the OECD's 96th Session of the Steel Committee, the statement by the Chair noted:

The overall trends discussed at the Steel Committee meeting suggest that global excess capacity will increase significantly in 2025 and 2026, which will add further pressure on oversupply conditions and deepen the economic challenges facing the steel industry. For example, prices of steel continue to fall, with rebar and flat steel prices down 5.6% and 4.6% in October 2024 relative to a year earlier, bringing the decline to 30.1% and 50.1%, respectively, from their July 2021 peaks. Profitability continues to remain below

[4] World Steel Association: Short Range Outlook October 2024 (https://worldsteel.org/media/press-releases/2024/worldsteel-short-range-outlook-october-2024/)

sustainable levels for many steel firms, especially in countries that are sources of excess capacity. [5]

45. The TRA accepts that there has been a change in demand for steel, both within the UK and globally. This is creating significant pressures on the UK steel industry.

46. The TRA also notes that this change takes place in the context of great uncertainty with regard to global trade in steel following the imposition of a 25% duty by the US on all steel products. Furthermore, the EU has recently amended its safeguard measure on certain steel products,[6] creating further uncertainty for the impact on the UK market.

47. The TRA is therefore satisfied that there are grounds to assess whether the TRQ may be varied in a way that responds to these challenges faced by domestic industry.

D1.3 Options to vary the TRQ allocation

D1.3.1 Background

48. When the amended NOI was published on 26 March 2025, parties were invited to provide comments on quota exhaustion and change in demand for the relevant goods.

49. In its submission, UK Steel proposed amending the TRQ allocation in the following way:

- TRQs should be reduced or at a minimum not be further liberalised in July 2025;
- Carry-over quota from each quarter should no longer be available in the next quarter;
- Individual country caps of 15% should be introduced under residual quotas for categories 4, 7 and 13;
- Developing country exceptions should be revoked for countries that are not "developing" in a steel context.[7]

50. Submissions from other parties address these proposals directly and are summarised in the following sections.

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[5] OECD, 96th Session of the Steel Committee: Statement by the Chair, 13 November 2024 (https://www.oecd.org/en/about/news/speech-statements/2024/11/96th-session-of-the-steel-committee-statement-by-the-chair.html)

[6] Regulation 2025/612 (https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ:L_202500612)

[7] UK Steel submission, 24 March 2025 (https://www.trade-remedies.service.gov.uk/public/case/TQ0066/submission/7d84c26d-b9c1-431b-83f5-dc1dec9e1bc2/)

51. The TRA has also considered other ways in which the TRQ allocation may be varied. These are addressed in Section D1.3.6.

D1.3.2 Reduction, or no further liberalisation, of TRQs

52. Following the Safeguard Extension Review (SE0041), the Secretary of State accepted the TRA's recommendation to continue progressive liberalisation of the safeguard measure by increasing quota amounts by 3% each year.

53. Given the drop in demand, UK Steel claimed that quotas are effectively being liberalised without needing an increase to the quotas, and that even if they were reduced, they would still be less restrictive than when they were last extended. If it is not possible to reduce quotas, UK Steel suggests that quotas should not be further liberalised, or only liberalised by a nominal amount.[8]

54. Several parties made submissions opposing both reduction of TRQs and reduced rates of liberalisation. The Government of Korea (and others) submitted that a measure could not be made more restrictive under the WTO Agreement on Safeguards.[9]

55. In its submission, ISTA noted that UK Steel's submission referred to reduced demand, but did not "take into account [UK] Government intentions to increase housebuilding, defence spending and infrastructure projects, all of which will stimulate demand and maintain the need for imported steel."[10]

56. There was support from some parties for an increase to quota levels beyond the 3% liberalisation rate. For example, ISTA supported an increase to the quota for Category 16 to reflect an increased demand in that category.[11] Progress Rail claimed that the expected growth in demand for steel products in categories 1, 12B, 19, 20, and 26 could not be met by UK producers.[12] Caterpillar also noted that UK steel producers do not have

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[8] UK Steel submission, 24 March 2025 (https://www.trade-remedies.service.gov.uk/public/case/TQ0066/submission/7d84c26d-b9c1-431b-83f5-dc1dec9e1bc2/)

[9] Government of the Republic of Korea submission, 9 April 2025 (https://www.trade-remedies.service.gov.uk/public/case/TQ0066/submission/97fe3aad-29d7-45fb-8456-4612d99ada93/

[10] ISTA submission, 9 April 2025 (https://www.trade-remedies.service.gov.uk/public/case/TQ0066/submission/c9a732b6-7c03-445d-ad09-d5d238638cb6/)

[11] ISTA submission, 9 April 2025 (https://www.trade-remedies.service.gov.uk/public/case/TQ0066/submission/c9a732b6-7c03-445d-ad09-d5d238638cb6/)

[12] Progress Rail Services UK Limited submission, 9 April 2025 (https://www.trade-remedies.service.gov.uk/public/case/TQ0066/submission/4730c93b-0b5e-4f9e-b108-21d290bfa5c7/)

the capacity to address its demand and that the TRQ applicable to categories imported by Caterpillar should be increased (categories 4, 7, and 25B).[13]

57. CELSA noted that the TRQ system provided important protection in a number of categories and that the removal or relaxation of TRQs would “not only accelerate deindustrialisation in the UK steel sector but would actively disincentivise sustainable production pathways and UK investment.” It also referred to the EU’s recent reforms and suggested that the UK adopt a similar approach.[14]

58. The TRA’s powers to make different recommendations is limited by the UK’s legislation. The TRA may recommend liberalising the measure by increasing the amount of the quota, varying the allocation of the quota, or by reducing the part of the quota period for which the amount of quota is less or the duty is higher (so that the pace of liberalisation is increased).

59. With regard to submissions supporting a further increase to the quotas, the TRA does not intend to recommend an increase as part of this review. Some of the submissions in favour of an increase point to projected demand for steel products, however, these have not yet materialised.

60. The TRA also notes that, with some exceptions, there is still capacity in the residual quotas for most categories and therefore the case for a general uplift has not been made out. Where residual quotas have been exhausted in the POI, they will now benefit from the planned 3% increase on 1 July 2025. The TRA is not satisfied that there is a sufficiently compelling case to support a further increase.

61. The TRA therefore does not intend to recommend a reduction in the tariff rate quotas, a reduction in the liberalisation rate of the tariff rate quotas, or a further increase in the quotas for individual categories.

[13] Caterpillar (U.K.) Limited submission 9 April (https://www.trade-remedies.service.gov.uk/public/case/TQ0066/submission/3753b002-6273-4765-909e-70bab305f819/)

[14] CELSA Steel UK submission, 7 April 2025 (https://www.trade-remedies.service.gov.uk/public/case/TQ0066/submission/7da98fb6-2bb0-4683-a50a-966b995307fd/)

D1.3.3 Carry-over quota no longer available

62. UK Steel proposed removing the carry-over quota, whereby unused quotas are made available in the following quarter. It suggests that this would not make quotas more restrictive as the total amount would still be available each quarter.[15]

63. Several parties have made submissions which speak to the logistical benefits of carry-over. For example, in their submissions, the Government of Korea,[16] L.M. Products,[17] Birfa,[18] POSCO[19] and KOSA[20] point to carry-over being essential to account for delays in shipping, port congestion, and customs clearance. ISTA noted that often steel is sourced to cover a particular project at a fixed price. If projects or shipments are delayed, it is essential to have the carry-over facility.[21]

64. The TRA has also considered the existing facility by which countries with a country-specific quota may access the residual quota in the final quarter. It has not received persuasive evidence to support countries with a country-specific quota to continue having access to the residual quota in the final quarter.

65. Under Regulation 35B(6)(c)(i), the TRA may also consider whether the amount or allocation of the tariff rate quota is appropriate for domestic market conditions. The TRA notes the pressure and significant uncertainty in the steel sector, both domestically and internationally. The TRA also notes that in the vast majority of quota allocations, utilisation rates were considerably under 100%, quarter by quarter. In that context, the TRA has formed the view that unused quotas should no longer be available in the following quarter, and that countries with a country-specific quota should not have access to the residual quota in the final quarter.

[15] UK Steel submission, 24 March 2025 (https://www.trade-remedies.service.gov.uk/public/case/TQ0066/submission/7d84c26d-b9c1-431b-83f5-dc1dec9e1bc2/)
[16] Government of the Republic of Korea submission, 9 April 2025 (https://www.trade-remedies.service.gov.uk/public/case/TQ0066/submission/97fe3aad-29d7-45fb-8456-4612d99ada93/)
[17] L.M. Products Limited submission, 7 April 2025 (https://www.trade-remedies.service.gov.uk/public/case/TQ0066/submission/603db01f-d8f1-4486-8912-d94b667ee1d2/)
[18] BIRFA Ltd submission, 9 April 2025 (https://www.trade-remedies.service.gov.uk/public/case/TQ0066/submission/eb88c4f1-ea84-4c0b-947c-7cf3c4f2c882/)
[19] POSCO submission, 8 April 2025 (https://www.trade-remedies.service.gov.uk/public/case/TQ0066/submission/22b4fad5-fac3-4024-88fe-ba4a52aa2478/)
[20] Korean Iron and Steel Association (KOSA) submission, 9 April 2025 (https://www.trade-remedies.service.gov.uk/public/case/TQ0066/submission/32d8de75-a3c2-4cb5-99da-76997958e6a1/)
[21] ISTA submission, 9 April 2025 (https://www.trade-remedies.service.gov.uk/public/case/TQ0066/submission/c9a732b6-7c03-445d-ad09-d5d238638cb6/)

D1.3.4 Individual country caps of 15% in the residual quotas for categories 4, 7, and 13

66. UK Steel has made this proposal as a response to its concerns that an increase in import share from certain countries in these categories may result in crowding out of other countries. [22]

67. Exporters expressed a range of views. Okaya (Germany) supported individual country caps of 15% for category 16 to prevent crowding out of traditional supplying origins.[23] POSCO (Republic of Korea) submitted that a 15% cap on residual quotas would lead to intensified export competition and that the import volume would increase at the beginning of each quarter, driving down prices in the UK and causing harm to UK producers.[24]

68. ISTA noted that it had received no complaints from its members relating to imports in any categories being dominated by a single source. It claimed that introducing country caps was "simply an excuse to restrict supply".[25]

69. Several parties pointed to the lack of domestic production of Category 4 and the need to have flexibility in sourcing this internationally. SPM noted that approximately 50% of what it purchases under Category 4 is outside the range of the domestic steel producer.[26] Sebden[27] and Hi-Tech Steel[28] also referred to the lack of domestic supply of Category 4 products. Belmont claimed that further restriction of supply of zinc magnesium coated steel (in Category 4) would be disastrous for the manufacture of solar panel frames.[29]

70. In its submission, the Government of Egypt (and other Egyptian parties) noted that continued access to the UK market for Egyptian exporters was important in Category

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[22] UK Steel submission, 24 March 2025 (https://www.trade-remedies.service.gov.uk/public/case/TQ0066/submission/7d84c26d-b9c1-431b-83f5-dc1dec9e1bc2/)
[23] OKAYA Europe GmbH submission, 7 April 2025 (https://www.trade-remedies.service.gov.uk/public/case/TQ0066/submission/000c03e7-9e4a-44c4-acf0-c692f9572c2a/)
[24] POSCO submission, 8 April 2025 (https://www.trade-remedies.service.gov.uk/public/case/TQ0066/submission/22b4fad5-fac3-4024-88fe-ba4a52aa2478/)
[25] ISTA submission, 9 April 2025 (https://www.trade-remedies.service.gov.uk/public/case/TQ0066/submission/c9a732b6-7c03-445d-ad09-d5d238638cb6/)
[26] Steel Processing (Midlands) Ltd submission, 9 April 2025 (https://www.trade-remedies.service.gov.uk/public/case/TQ0066/submission/bca24d65-6557-4e98-b871-0c75e534276a/)
[27] Sebden Steel Services Ltd submission, 26 March 2025 (https://www.trade-remedies.service.gov.uk/public/case/TQ0066/submission/0d993557-bcb9-42f9-981b-6721534794eb/)
[28] Hi-Tech Steel Services Ltd submission, 8 April 2025 (https://www.trade-remedies.service.gov.uk/public/case/TQ0066/submission/03927d72-bc97-4a9b-a7be-3cd418360885/)
[29] Belmont and Knott Ltd submission, 9 April 2025 (https://www.trade-remedies.service.gov.uk/public/case/TQ0066/submission/6e285a3e-d55d-43c7-88bb-f3c68ce2bfc9/)

13.[30] The TRA notes that Algeria's import share of Category 13 has increased to 86% in the POI and is at a level now which threatens crowding out other countries, including Egypt.

71. As noted in D1.1, The TRA has reviewed trade data relating to Categories 4, 5, 7, 13, 16, 17 and 21. In the POI, there are source countries who have a dominant share relative to other countries accessing the residual quota. They are:

- Category 4: Vietnam (62%)
- Category 5: Vietnam (62%)
- Category 7: Republic of Korea (80%)
- Category 13: Algeria (86%)
- Category 16: Türkiye (90%)
- Category 17: Türkiye (55%)
- Category 21: UAE (92%)

72. The TRA notes the following increases in volume of the relevant goods coming from the following countries since 2022 in the following categories:

- Category 4: 14% increase in the volume of the relevant goods coming from Vietnam;
- Category 7: 59% increase in the volume of the relevant goods coming from the Republic of Korea;
- Category 13: 124% increase in the volume of the relevant goods coming from Algeria;
- Category 21: 10% increase in the volume of the relevant goods coming from the UAE.

73. Under Regulation 35B(6)(c)(ii) of the Regulations, the TRA may consider the desirability of maintaining, as far as possible, traditional trade flows. In this regard, the TRA has reached the conclusion that there is a risk of other countries being crowded out and not

[30] Government of Egypt submission, 12 March 2025 (https://www.trade-remedies.service.gov.uk/public/case/TQ0066/submission/bb872232-05d6-4e6c-bd95-f117d251eaef/)

being able to access the residual quota in these categories. As a consequence, the TRA determines that there are grounds to recommend introducing country-specific caps in these categories.

74. In determining the country-cap to apply, the TRA has looked to strike a balance between exporting countries' access to the UK market, importers' need to access steel from international suppliers, and protection of UK domestic industry.

75. In Category 4, imports in the residual quota come almost exclusively from Vietnam and Republic of Korea (62% and 38% respectively). If a 15% cap were introduced, it is not clear that sufficient supply would become available from other countries. To balance the need for supply with the need to avoid crowding out, the TRA finds that a 40% cap on imports coming from one country within the residual quota would be more appropriate in this case. This would address the concern about crowding out, whilst maintaining a similar volume of imports to come from existing supply countries.

76. In Category 7, the TRA has assessed that a country cap of 40% would provide some protection against crowding out, whilst ensuring that there is still reasonable supply to UK importers. Although the Republic of Korea's import share in Category 7 in the POI was 80%, the fact that only 52% of the overall residual quota was utilised means that this cap would still allow a similar volume of imports to come from the Republic of Korea in absolute terms.

77. In Category 13, imports in the residual quota come almost exclusively from Algeria and Egypt (86% and 14% respectively). Similar to Category 4, there is therefore a risk that there will be insufficient supply if the country cap were set at 15%. Again, the TRA find that a country cap of 40% is more appropriate for this category to prevent crowding out and import shares to be maintained at a level more similar to recent volumes in this category.

78. The TRA has also assessed whether or not country caps are appropriate in the residual quotas for Category 5, Category 16 and Category 21 where there is a dominant share of the residual quota by Vietnam, Türkiye and the UAE respectively. However, in each of these categories, the absolute volume of quota in the residual quota is significantly lower than those in categories 4, 7, and 13. Introducing country-specific caps on quota volumes that are so small is not practical, so the TRA does not propose country-specific caps in these categories.

79. We have had regard to submissions regarding the longer lead times involved for some products to arrive in the UK. As this review was not initiated until 26 March, we recognise that importers made sourcing decisions without knowing of the possibility that country-specific caps would be imposed. Therefore, in order to allow sufficient time for the market to adjust, we recommend that country caps not be imposed until 1 October 2025.

D1.3.5 Revocation of developing country status for certain developing countries

80. UK Steel suggests that the TRA has some discretion to determine whether or not a country should be considered a developing country for the purposes of the developing country exception.[31]

81. Several parties made submissions to oppose this proposal, referring in some cases to the apparent incompatibility with the WTO framework.

82. The exception at Regulation 43 of the Safeguards Regulations does not give the TRA any discretion as to which countries should be considered to be developing country members of the WTO.

D1.3.6 Other options considered

83. The TRA has also considered other options on how to respond to the change of circumstances outlined above. This includes some of the measures implemented by the EU in its recent review of its safeguard measure.

84. Whilst the TRA has not found that there are sufficient grounds to include these options as part of the recommendation to the Secretary of State, for the sake of completeness, it is worth setting them out here.

85. In its review, the EU split Category 1 in response to a crowding out of a highly specific product as a consequence of introducing a 15% cap in its second functioning review.[32] The same issue does not exist within the UK's measure on Category 1 and the TRA has not received any comments from parties to suggest that Category 1 should be amended in this way.

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[31] UK Steel submission, 24 March 2025 (https://www.trade-remedies.service.gov.uk/public/case/TQ0066/submission/7d84c26d-b9c1-431b-83f5-dc1dec9e1bc2/)

[32] Regulation 2025/612 (https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ:L_202500612)

86. In its review, the EU decided to reverse the redistribution of the import volumes from Russia and Belarus where those countries had country-specific quotas but are not exporting to the EU because of sanctions. Following the TRQ review into certain steel products from Russia and Belarus (SM0019) in 2022, the country-specific quotas for Russia and Belarus (in categories 1 and 13) were redistributed among the other quota allocations in those categories. Since 2022, the allocations formerly assigned to Russia and Belarus have been absorbed into the other quotas for those categories. The TRA considers that these have, since 2022, formed part of the allocation for those countries and the residual quota and that they cannot be redistributed without reducing these countries' allocations. As such the TRA does not propose reducing these allocations.

87. The TRA considered whether it was possible to increase or levy in-quota tariffs. It would not be compatible with our domestic legislation to increase or levy in-quota tariffs, so the TRA did not consider this further.

D2 Developing country exception

D2.1 Background

88. Under reg 35B(9)(f) and 35B(9)(g), a change to the import share of a developing country may constitute a change of circumstances.

D2.2 Methodology

D2.2.1 Establishing FTA/EPA exception

89. The calculations of import shares do not include the import volumes of those developing countries who were excepted from the safeguard measure under regulation 44 (Other exception) of the Safeguard Regulations, where a country with an FTA has a global safeguard exception clause.

90. The only active agreements are with Kenya and the CARIFORUM countries listed in Annex 1. Imports from these countries were not included in any calculations due to their exception from the safeguard measure.

D2.2.2 Import shares

91. For each product category, we examined import figures during the POI to determine the import shares of each developing country without an FTA exception.

92. For those countries whose import shares for the period 1 January 2024 to 31 December 2024 did not exceed 3% for a product category, we assessed whether the collective imports exceeded 9% for the product category.

93. After the conclusion of the safeguard extension review in June 2024, the Secretary of State varied the safeguard measure. This had the effect that the application of the safeguard measure would continue to be suspended for a further 2 years (from 1 July 2024 until 30 June 2026) with respect to goods originating in Ukraine. As this is not an exemption from the safeguard measure, the calculations in this review include steel originating from Ukraine during the POI. However, regardless of the import figures, any safeguard measure applicable to Ukraine remains suspended until 30 June 2026.

D2.2.3 Country specific TRQ

94. Annex 4 lists the developing countries that are now subject to the safeguard measure by product category as their import shares exceed 3% for the product category concerned.

95. Under Regulation 35B(6)(c)(ii), in conducting a TRQ review, the TRA may consider the desirability of maintaining, as far as possible, traditional trade flows. As with previous reviews, the 2017-2019 period is deemed to be representative of traditional trade flows, given the impact of the COVID-19 on international trade beginning in 2020, and it predates the implementation of the safeguard measure in the UK and therefore is not artificially affected by the measure.

96. Where a developing country was found to have an import share greater than 3%, we considered whether a country specific quota is appropriate by assessing the 2017 to 2019 average import share in line with other countries subject to the safeguard measure. If this share exceeds 5%, a country-specific TRQ is allocated, as the country is considered to have a significant supplying interest. Otherwise, the country has access to the residual quota. This is consistent with how country-specific TRQ allocations have been made previously by the TRA with respect to the safeguard measure on certain steel products.

D2.2.4 Category 1A and Category 1B

97. From 1 October 2024, Category 1 was split into Categories 1A and 1B. The new categories comprise of the same products and commodity codes. However, access to the Category 1B quota is limited to goods declared for an authorised use procedure. The 'authorised use' is defined in Trade Remedies Notice 2024/08.

98. When determining the developing country exception, Regulation 43 looks at whether or not the imports from a developing country account for "3 per cent. or less of the total imports of those goods into the United Kingdom". The POI for this review is 1 January 2024 to 31 December 2024. Category 1 was only split in October and, due to delays in implementation, goods were not imported under Category 1B until November 2024. Therefore there is no representative data relating specifically to Category 1B for the POI. The data from the POI will be treated in the following way.

99. Where imports of Category 1 from a developing country account for 3 per cent or less of the total imports of those goods into the UK, the safeguard remedy shall not apply to imports from that country in either Category 1A or Category 1B.

100. Where imports of Category 1 from a developing country account for more than 3 per cent of the total imports of those goods into the UK, the safeguard remedy shall apply to imports from that country in both Category 1A and Category 1B.

101. Developing countries granted an individual quota under Category 1A will retain (where appropriate) that quota under Category 1A. Category 1B is subject to a global quota and no individual country allocations apply in Category 1B.

D2.2.5 Developing countries with a country-specific quota

102. Where a developing country currently has a country-specific quota, but following this review is deemed to be excepted from the application of the measure, the TRA is not able to recommend that a safeguarding measure is maintained. Therefore the recommendation is that the measure should be removed from those countries.

D2.3 Conclusions on developing country exceptions

103. The analysis of imports over the POI from developing countries shows that six developing countries across 14 categories of steel should not be excepted from the measure because their import shares into the UK exceeded the 3% threshold. Collectively, the remaining low volume exporters did not breach the 9% threshold. The developing countries that do not qualify for the developing country exception in one or more categories are:

- Egypt;
- India;
- People's Republic of China (PRC);
- Türkiye;
- United Arab Emirates (UAE); and
- Vietnam.

104. After a comparison of their import shares during the representative period of 2017 – 2019, they will either have a country specific quota or be given access to the residual quota. The details can be found in Annex 4. All developing countries not appearing in Annex 4, and who are not excepted through an FTA, will benefit from the developing country exception.

105. Annex 5 sets out those developing countries whose status has changed following this review. Those countries which account for 3% or less of imports in a category in the POI will become excepted. If applicable, their existing quotas will be reallocated to the residual quota to reduce the risk that the quotas go unused. Two countries across two categories will move from being excepted from the measure in the current quota to having access to the residual quota. Nine countries across ten categories will move from a country or residual quota to being excepted from the measure.

F Recommendation (Intended Final Determination)

106. For the reasons set out already in this document, the TRA's intended final recommendation is to vary the tariff rate quota as follows:

(i) Unused quotas should no longer be made available in the following quarter (removal of carry-over facility);

(ii) Countries with a country-specific quota should no longer have access to the residual quota in the final quarter;

(iii) Country-specific caps should be imposed on the residual quotas in the following categories from 1 October 2025:

a. Category 4: 40%

b. Category 7: 40%

c. Category 13: 40%

and

(iv) Update the developing country non-exceptions list in line with the conclusions set out in D2.3.

107. The varied TRQs should take effect on the day after the date of publication of any public notice made under section 13 of the Taxation (Cross-border Trade) Act 2018 giving effect to this recommendation.

G Comments to SIFD

108. Parties are invited to make submissions in response to this SIFD by 23:59 on 26 May 2025).

109. We may consider submissions made after this date, but we are not obliged to do so if we believe this would cause an unnecessary delay in preparing the final recommendation. Where we reject information for any reason, we will publish our reasons for rejection in our final determination. All submissions will be considered, however the DCE review undertaken uses HMRC import data to advise the TRA and we are guided by domestic legislation and WTO agreements when providing our final recommendation.

110. The TRA intends to review its final decision in light of any responses it receives prior to the deadline and expects to provide its recommendation to the Secretary of State shortly thereafter.

Annex 1 FTA partners with a current safeguard exception

Agreement	Multilateral safeguard exception
UK – Kenya	Active
UK-CARIFORUM EPA (Antigua and Barbuda, Barbados, Belize, the Bahamas[33], Dominica, The Dominican Republic, Grenada, Guyana, Jamaica, Saint Christopher (Kitts) and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Suriname, and Trinidad and Tobago)	Active

[33] Not on the Developing Country List

Annex 2[34] Developing country members of the WTO

Afghanistan, Albania, Angola, Antigua and Barbuda, Argentina, Armenia, Bahrain, Bangladesh, Barbados, Belize, Benin, Bolivia, Botswana, Brazil, Brunei Darussalam, Burkina Faso, Burundi, Cabo Verde, Cambodia, Cameroon, Central African Republic, Chad, Chile, Colombia, Congo, Costa Rica, Côte d'Ivoire, Cuba, Democratic Republic of the Congo, Djibouti, Dominica, Dominican Republic, Ecuador, Egypt, El Salvador, Eswatini, Fiji, Gabon, Gambia, Georgia, Ghana, Grenada, Guatemala, Guinea, Guinea-Bissau, Guyana, Haiti, Honduras, Hong Kong, India, Indonesia, Jamaica, Jordan, Kazakhstan, Kenya, Kuwait, Kyrgyz Republic, Lao People's Democratic Republic, Lesotho, Liberia, Macao, Madagascar, Malawi, Malaysia, Maldives, Mali, Mauritania, Mauritius, Mexico, Moldova, Mongolia, Montenegro, Morocco, Mozambique, Myanmar, Namibia, Nepal, Nicaragua, Niger, Nigeria, Northern Macedonia, Oman, Pakistan, Panama, Papua New Guinea, Paraguay, Peru, Philippines, PRC, Qatar, Rwanda, Saint Christopher (Kitts) and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Samoa, Saudi Arabia, Senegal, Seychelles, Sierra Leone, Solomon Islands, South Africa, Sri Lanka, Suriname, Tajikistan, Tanzania, Thailand, Togo, Tonga, Trinidad and Tobago, Tunisia, Türkiye, Uganda, Ukraine, UAE, Uruguay, Vanuatu, Venezuela, Vietnam, Yemen, Zambia, Zimbabwe.

[34] Some of the below countries have been excluded from the calculation because of the FTA/EPA agreements listed in Annex 1

Annex 3 Goods subject to review

Product Number	Product Category	Commodity Codes
1A	Non-alloy and other alloy hot-rolled sheet and strip	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
1B	Non-alloy and other alloy hot-rolled sheet and strip (authorised use)	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
4	Metallic coated sheet	72102000, 72104100, 72104900, 72106100, 7210690020, 7210690080, 72109080, 72122000, 72123000, 72125020, 72125030, 72125040, 72125061, 72125069, 72125090, 72259100, 72259200, 72259900, 72269910, 72269930, 72269970
5	Organic coated sheet	72107080, 72124080
6	Tin mill products	72091899, 72105000, 72121090, 72101100, 72107010, 72124020, 72101220, 72109040, 72101280, 72121010
7	Non-alloy and other alloy quarto plates	72085120, 72089020, 72254040, 72085191, 72089080, 72254060, 72085198, 72109030, 72085291, 72254012
12A	Alloy merchant bars and light sections	72283020, 72283041, 72283061, 72283069, 72283070, 72283089, 72286020, 72287010

12B	Non-alloy merchant bars and light sections	72143000, 72149110, 72149190, 72149931, 72149939, 72149950, 72149971, 72149979, 72149995, 72159000, 72161000, 72162100, 72162200, 72164010, 72164090, 72165010, 72165091, 72165099, 72169900
13	Rebar	72142000, 72149910
16	Non-alloy and other alloy wire rod	72131000, 72139149, 72271000, 72132000, 72139170, 72272000, 72139110, 72139190, 72279010, 72139120, 72139910, 72279050, 72139141, 72139990, 72279095
17	Angles, shapes, and sections of iron or non-alloy steel	72163110, 72163219, 72163310, 72163190, 72163291, 72163390, 72163211, 72163299
19	Railway material	73021022, 73021028, 73021050
20	Gas pipe	73063041, 73063049, 73063072, 73063077
21	Hollow section	73066110, 73066192, 73066199
25A	Large welded tube (1)	73051100, 73051200
25B	Large welded tube (2)	73051900, 73052000, 73053100, 73053900, 73059000
26	Other welded tube	73061100, 73061900, 73062100, 73062900, 73063012, 73063018, 73063080, 73064020, 73064080, 73065021, 73065029, 73065080, 73066910, 73066990, 73069000

Annex 4 Developing country non-exceptions[35]

Developing country non-exceptions (Jan-Dec 2024 import share)		
Product category	**Country Specific Quota**	**Residual Quota**
1A	Türkiye (6.4%)	India (16.5%)** Vietnam (4.3%)**
1B*	N/A	Türkiye** India** Vietnam**
4	India (13.1%)	Vietnam (19.1%)
5	N/A	N/A
6	PRC (62.0%)	N/A
7	N/A	N/A
12A	N/A	N/A
12B	Türkiye (30.6%)	N/A
13	Türkiye (24.0%)	Egypt (3.3%)
16	N/A	Türkiye (3.3%)
17	N/A	Türkiye (5.7%)
19	N/A	N/A
20	India (17.0%) Türkiye (51.8%)	
21	Türkiye (66.9%)	UAE (6.5%)
25A		PRC (13.0%)
25B		PRC (3.4%)
26	UAE (12.7%) PRC (15.0%) Türkiye (22.5%)	India (4.2%)
*Countries in the residual quota column for Category 1B have access to the global quota ** These percentages relate to the import share of Category 1 as a whole. The approach to assigning quota allocations is explained in more detail above in paragraphs 96-100.		

[35] A country specific quota is only allocated if the import shares exceed 5% during the representative period of 2017 – 2019. The percentages reflected in Annex 4 and 5 are the import shares during 2024. Those countries in the 'Residual Quota' column with import shares higher than 5% did not exceed the 5% during the representative period.

Annex 5[36] Specific proposed changes to developing countries allocations

Product category	Country	Current allocation (import share January 2022- December 2022)	Proposed allocation (import share January 2024 - December 2024)
1A	Vietnam	Excepted (0%)	Residual (4.3%)
1B	Vietnam	Excepted (0%)	Global quota (4.3%)
4	Türkiye	Country (6.8%)	Excepted (0.1%)
5	India	Residual (4.9%)	Excepted (0.6%)
5	Vietnam	Residual (8.7%)	Excepted (2.2%)
6	Türkiye	Residual (7.5%)	Excepted (1.9%)
7	Ukraine	Country (1%)	Excepted (0%)
7	India	Residual (5.4%)	Excepted (0.2%)
7	Türkiye	Residual (4.1%)	Excepted (2.5%)
12A	PRC	Residual (4.6%)	Excepted (2.6%)
12B	PRC	Residual (5.7%)	Excepted (2.1%)
13	India	Residual (3.0%)	Excepted (0%)
13	Malaysia	Residual (4.0%)	Excepted (0%)
16	Ukraine	Residual (0%)	Excepted (0%)
17	Bahrain	Residual (4.7%)	Excepted (0%)
17	India	Residual (3.7%)	Excepted (0%)
20	UAE	Country (5.4%)	Excepted (2.8%)
25B	Brazil	Residual (3.2%)	Excepted (0.8%)
25B	Türkiye	Residual (12.0%)	Excepted (0.1%)
25B	PRC	Excepted (0%)	Residual (3.4%)

[36] The changes highlighted in this table are only the changes to the TRQ quotas in relation to the DCE. The rest of the quotas remain as they currently are.

Annex 6 Tariff Rate Quotas

Quarterly volumes of country and residual tariff-rate quotas (in tonnes) 01/07/25 – 30/06/26

Product category	Country	01/07/2025 to 30/09/2025	01/10/2025 to 31/12/2025	01/01/2026 to 31/03/2026	01/04/2026 to 30/06/2026
1A	EU	193,109	193,109	188,911	191,010
	Türkiye	25,355	25,355	24,804	25,079
	Taiwan	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
1B	40% cap	238,380	238,380	233,197	235,787
	Total	595,950	595,950	582,993	589,468
4	EU	333,545	333,545	326,294	329,919
	Taiwan	34,484	34,484	33,734	34,109
	India	25,468	25,468	24,915	25,192
	Residual	88,075	88,075	86,160	87,117
	Total	481,572	481,572	471,103	476,337
5	EU	37,746	37,746	36,925	37,336
	Republic of Korea	15,339	15,339	15,005	15,172
	Residual	2,293	2,293	2,243	2,268
	Total	55,378	55,378	54,173	54,776
6	EU	32,912	32,912	32,197	32,555
	PRC	8,356	8,356	8,174	8,265
	Taiwan	2,729	2,729	2,669	2,699
	Republic of Korea	2,590	2,590	2,534	2,562
	Residual	1,117	1,117	1,092	1,105
	Total	47,704	47,704	46,666	47,186
7	EU	73,240	73,240	71,648	72,444
	Residual	26,137	26,137	25,569	25,853
	Total	99,377	99,377	97,217	98,297
12A	EU	30,373	30,373	29,713	30,043
	Residual	4,369	4,369	4,274	4,321
	Total	34,742	34,742	33,987	34,364
12B	EU	36,485	36,485	35,692	36,089
	Türkiye	13,733	13,733	13,434	13,583
	Residual	7,804	7,804	7,634	7,719
	Total	58,022	58,022	56,760	57,391
13	EU	76,681	76,681	75,014	75,847
	Türkiye	36,327	36,327	35,538	35,933
	Residual	24,734	24,734	24,196	24,465
	Total	137,742	137,742	134,748	136,245
16	EU	77,194	77,194	75,516	76,355
	Residual	3,370	3,370	3,297	3,334

	Total	80,564	80,564	78,813	79,689
17	EU	175,764	175,764	171,943	173,854
	Residual	18,267	18,267	17,869	18,068
	Total	194,031	194,031	189,812	191,922
19	EU	4,936	4,936	4,829	4,883
	Residual	145	145	142	144
	Total	5,081	5,081	4,971	5,027
20	EU	7,284	7,284	7,126	7,205
	India	3,745	3,745	3,663	3,704
	Türkiye	16,184	16,184	15,832	16,008
	Residual	761	761	744	753
	Total	27,974	27,974	27,365	27,670
21	EU	11,661	11,661	11,407	11,534
	Türkiye	38,417	38,417	37,582	38,000
	Residual	3,545	3,545	3,468	3,506
	Total	53,623	53,623	52,457	53,040
25A	EU	6,516	6,516	6,375	6,446
	Republic of Korea	1,302	1,302	1,273	1,288
	Japan	8,516	8,516	8,331	8,424
	Residual	2,297	2,297	2,247	2,272
	Total	18,631	18,631	18,226	18,430
25B	EU	16,762	16,762	16,397	16,580
	Japan	2,111	2,111	2,065	2,088
	Republic of Korea	4,817	4,817	4,713	4,765
	Residual	5,081	5,081	4,971	5,026
	Total	28,771	28,771	28,146	28,459
26	EU	23,481	23,481	22,971	23,226
	Türkiye	11,463	11,463	11,213	11,338
	PRC	6,030	6,030	5,899	5,965
	UAE	15,780	15,780	15,437	15,608
	Residual	10,411	10,411	10,185	10,298
	Total	67,165	67,165	65,705	66,435

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Press release

TRA recommends quota caps on steel imports

The TRA has recommended that country-specific caps be imposed on certain categories of steel to help defend the UK's steel-production industry.

From: **Trade Remedies Authority (/government/organisations/trade-remedies-authority)**

Published 13 May 2025

The TRA has recommended that country-specific caps be imposed on certain categories of steel imported to the UK to help defend the country’s steel-production industry.

The caps will come into effect from 1 October 2025 to allow steel importers time to adjust. The TRA has also recommended that carry over quotas be scrapped from 1 July 2025.

In March, the TRA expanded the matters being considered in its tariff rate quota review of the steel safeguard measure to ensure new concerns raised by the UK steel industry were fully considered.

Having examined UK Steel’s data and submissions from a range of interested parties, the TRA has in its Statement of Intended Final Determination (SIFD) (https://www.trade-remedies.service.gov.uk/public/case/TQ0066/submission/54c62e25-982b-478c-bbe1-9f6380eeeea4/) proposed that country-specific caps should be imposed on the residual quota in the following categories:

- Category 4 (metallic coated sheet): 40%
- Category 7 (non-alloy and other alloy quarto plates): 40%
- Category 13 (rebar): 40%

The TRA determined that there had been a change in demand for steel, both within the UK and globally, creating significant pressures on the UK steel industry, which warranted the TRQs being varied.

The TRA cited the Organisation for Economic Co-operation and Development’s Steel Committee, which said in November last year: “The overall trends discussed at the Steel Committee meeting suggest that global excess capacity will increase significantly in 2025 and 2026, which will add further pressure on oversupply conditions and deepen the economic challenges facing the steel industry.”

TRA Chair Nick Baird said:

> “The TRA has listened to the concerns of the UK’s steel industry and worked at pace to recommend changes to steel import quota allocations to help protect the UK steel industry from the destabilising impact of global

overcapacity."

Further variation to TRQ allocation

The TRA has also proposed further changes to the allocation of the TRQs.

Under the TRA's proposals, the "carry-over" facility, where unused quotas are made available in the following quarter, should be removed; countries with a country-specific quota should no longer have access to the residual quota in the final quarter; country-specific quotas for developing countries excepted from the measure would not be redistributed.

Interested parties can comment by 26 May 2025 via the TRA's public file (https://www.trade-remedies.service.gov.uk/public/case/TQ0066/). Once the TRA has examined these comments, it will submit its final recommendation to the Secretary of State for Business and Trade.

Background information:

- The TRA is the UK's independent body for investigating and recommending trade remedies.
- UK industries concerned about imports have been able to submit applications for a new trade remedy measure since January 2021. These applications are considered by the TRA to see if there are grounds for an investigation.
- Tariff rate quotas (TRQs) are part of the World Trade Organization (WTO) framework. They specify how much of a product can be imported from a country before its imports are subject to higher tariffs.
- Under the TRA's initial proposals published today, a 40% country cap would apply to the residual quotas in Categories 4, 7 and 13. This means that when imports from an individual country accessing the residual quota in these categories exceeds 40% of the residual quota allocation, those imports would become subject to the safeguard measure.

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