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Committee on Safeguards

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**NOTIFICATION UNDER ARTICLE 12.1(B) OF THE AGREEMENT ON SAFEGUARDS ON
FINDING A SERIOUS INJURY OR THREAT THEREOF**

**NOTIFICATION PURSUANT TO ARTICLE 12.1(C)
OF THE AGREEMENT ON SAFEGUARDS**

EGYPT

Hot Rolled Flat Steel (HRC and/or HRFS)

The following communication, dated and received on 16 February 2026, is being circulated at the request of the delegation of Egypt.

Pursuant to Article 12.1(b) of the Agreement on Safeguards, the Government of the Republic of Egypt submits this notification regarding a finding of serious injury or threat thereof affecting the domestic industry producing "Hot Rolled Flat Steel (HRC and/or HRFS)" hereinafter referred to as "HRC" and a notification of proposed safeguard measures. This notification contains all pertinent information relating to the proposed safeguard measures in accordance with Article 12.2 of the Agreement on Safeguards and an offer of consultations pursuant to Article 12.3 of the Agreement on Safeguards.

GENERAL BACKGROUND

Initiation of Investigation

On 22 April 2025, the Investigating Authority initiated a safeguard investigation concerning increased imports of HRC. The initiation of the investigation was announced in the Official Gazette of Egypt on 27 April 2025.

The initiation was also notified in the WTO document [G/SG/N/6/EGY/16](#) circulated on 28 April 2025.

On 10 September 2025, the proposed provisional safeguard measure was notified in the WTO document [G/SG/N/7/EGY/12](#) circulated on 10 September 2025. The decree of imposing the provisional safeguard measure was published in the Official Gazette of Egypt on 11 September 2025.

Period of Investigation

The initial period of investigation covered 2021, 2022, 2023, and the period up to June 2024. It was subsequently updated to cover the four-year period from January 2021 to December 2024.

Major Proportion

The production share of the Applicants (the domestic industry) is 100% of the total domestic production of the subject goods in 2024. Therefore, it represents a major proportion as required by Article 4.1(c) of the WTO Agreement on Safeguards.

Views and Comments of the Interested Parties

In accordance with Article 3.1 of the WTO Agreement on Safeguards, during the process of investigation, the Investigating Authority has provided opportunities to all interested parties, to submit their views, evidence, comments, and responses concerning the investigation.

The Investigating Authority held a public hearing on 30 September 2025. (The invitation to the public hearing was sent to all known parties on 18 September 2025).

1. Provide evidence, citing relevant data and the applicable period of investigation of serious injury or threat thereof caused by increased imports

To determine the existence of serious injury or threat of serious injury caused by increased imports, the Investigating Authority has analyzed and evaluated all relevant factors in an objective and quantifiable manner. The following analyses are based on data provided by the Applicants (the domestic industry), which has been verified by the Investigating Authority.

A. Evidence of serious injury or threat of serious injury

The macroeconomic indicators related to the subject goods in the safeguard investigation are presented at the table below:

Table 1. National consumption, volume of imports, and market shares

Year	2021	2022	2023	2024
Change in sales volume of the domestic industry	-	24%	-28%	-10%
Import volume(ton)	716,453	1,077,969	1,182,281	1,545,467
Change in import volume	-	50%	10%	31%
Change in domestic market size	-	36%	-10%	14%
Change in domestic industry share	-	-8%	-21%	-21%
Change in import share	-	11%	22%	15%

Table 2. The applicant's (the domestic industry) indicators of serious injury

Year	2021	2022	2023	2024
Change in sales volume of the domestic industry	-	24%	-28%	-10%
Change in Production	-	-13%	30%	-6%
Change in Utilized capacity	-	-13%	25%	-6%
change in profits	-	4%	40%	-70%
Change in employment	-	2%	-5%	-9%

As shown in Tables 1 and 2, the performance of the Applicants (the domestic industry) can be seen as follows

- a. Domestic sales declined steadily and significantly during the years 2023 and 2024 by 28% and 10% respectively;
- b. The market share of the domestic industry declined steadily and significantly during the years 2023 and 2024 by 21% and 21% respectively;
- c. Production decreased by 6% in 2024 compared to 2023, in spite of the continuous nature of steel production;
- d. Utilization capacity declined in 2024 by 6% compared to 2023;
- e. Profits declined sharply in 2024 by 70% compared to 2023;
- f. Employment declined steadily and significantly during the years 2023 and 2024 by 5% and 9% respectively.

B. Other factors that may contribute to serious injury

To ensure compliance with Article 4.2(b) of the Agreement on Safeguards, the Investigating Authority examined all other known factors that may have contributed to injury to the domestic industry. Each factor was examined separately and in combination, including:

- a. Demand contraction;
- b. Export performance of the domestic industry;
- c. Competition;
- d. Restrictive business practices;
- e. Changes in consumption patterns;
- f. Technological developments;
- g. The impact of exchange rate fluctuations and energy costs on production costs; and
- h. A temporary technical malfunction in a power transformer at a domestic producer.

The Investigating Authority ensured that injury attributable to these factors was not attributed to increased imports. Based on the objective and quantifiable evidence on record, the Authority concluded that the serious injury suffered by the domestic industry was caused by the increased imports of the subject goods.

C. Causal link

The Investigating Authority examined all relevant factors affecting the situation of the domestic industry, as required under Articles 4.2(a) and (b) of the Agreement on Safeguards.

Based on the objective and quantifiable evidence on record, the Authority determined that the significant increase in imports, in both absolute and relative terms, coincided with a deterioration in key injury indicators of the domestic industry, including production, sales, capacity utilization, employment, and profitability.

This temporal correlation, together with the absence of injury attributable to other known factors, demonstrates the existence of a causal link between the increased imports and the serious injury suffered by the domestic industry.

Consequently, the Authority concluded that the serious injury suffered by the domestic industry was caused by the increased imports of the subject goods.

In particular:

- a. Imports increased significantly in absolute terms, with a year-to-year growth rate of 31% in 2024;
- b. Imports also increased significantly relative to domestic production, reaching 40% in 2024 compared to 2023;
- c. The market share of imports increased substantially during the period of investigation;
- d. While domestic consumption increased, the market share of the domestic industry declined by 21% in 2024 compared to 2023; and
- e. The decline in production, domestic sales, capacity utilization, employment, and profitability coincided with the significant increase in imports.

2. Provide information on whether there is an absolute increase in imports or an increase in imports relative to domestic production (please see also Article 2.1 for the context)

A. Increase in imports in absolute terms

Table 3. Volume of Imports

Year	2021	2022	2023	2024
Volume of Imports (ton)	716453	1077969	1182281	1545467
change (%)	-	50%	10%	31%

B. Relative increase in imports to total domestic production

Table 4. Volume of imports, national production, and relative to total domestic production

Year	2021	2022	2023	2024
Imports as % of Domestic Production	-	73%	-16%	40%

3. Provide the precise description of the product involved

Hot Rolled Flat Steel (HRC and/or HRFS).

HS code(s): 7208.10, 7208.25, 7208.26, 7208.27, 7208.36, 7208.37, 7208.38, 7208.39, 7208.40, 7208.51, 7208.52, 7208.53, 7208.54, 7208.90, 7211.14, 7211.19, 7225.30, 7225.40, 7226.91, 7226.99.

4. If the final measure replaces a provisional measure, or if a final measure is extended, a Member is encouraged to provide a written description of any part of the imported product that will no longer be subject to the measure and the Harmonized System numbers under which it enters at least at a 6-digit level, and at a sub-national level (e.g., 8-digit, 9-digit or 10-digit level) if practicable.

NA.

5. Provide precise description of the proposed measure

Tariff Increase - Ad valorem

The measure is necessary and proportionate to prevent and remedy serious injury and to facilitate adjustment of the domestic industry. The proposed measure is as follows:

Period	14/09/2025- 13/09/2026	14/09/2026- 13/09/2027	14/09/2027- 13/09/2028
Ad valorem rate (% of CIF)	13.6%	13%	12.5%
Minimum specific duty (EGP/ton)	3673	3511	3376

The period of application of the provisional safeguard measure shall be counted towards the total duration of the safeguard measure.

The safeguard measure shall not apply to Hot Rolled Flat Steel products with a thickness exceeding 20 mm and a width exceeding 1600 mm.

Pursuant to Article 9.1 of the Agreement on Safeguards, developing country Members whose individual share of imports of the subject goods does not exceed 3 per cent, provided that developing country Members with less than 3 per cent import share collectively account for not more than 9% of total imports, shall be excluded from the application of the safeguard measure.

6. Provide proposed date of introduction of the measure

Upon the ministerial decree.

7. Provide expected duration of the measure

13 September 2028.

8. For a measure with a duration of more than three years, provide the proposed date for the review (under Article 7.4) to be held not later than the mid-term of the measure, if such a date for the review has already been scheduled

NA.

9. If the expected duration is over one year, provide expected timetable for progressive liberalization of the measure

Please refer to section 5.

10. Provide the deadlines for interested parties to comment or any other procedures relevant to the decision to apply the measures. Provide information regarding procedures for prior consultation with those Members having a substantial interest as exporters of the product concerned

Pursuant to Articles 12.3 and 12.4 of the Agreement on Safeguards, the Investigating Authority has provided and continues to provide adequate opportunities for consultations with Members having a substantial interest as exporters of the subject goods. Consultations were initiated promptly following the imposition of the provisional safeguard measure and will continue to be made available upon request.

Consultations may be held in person or virtually, upon request.

Members having a substantial interest as exporters of the subject goods shall submit a written request for consultations within seven (7) days from the date of circulation of this notification.

All requests for consultations must be submitted in writing, both in hard copy and in electronic format, and must include the name, address, e-mail address, and telephone number of the requesting Member.

Additional information

Members are encouraged to attach, in an electronic form, publicly available document(s) containing the relevant decision(s) made by the competent authority. This document may be in the original language of the Member, even when the language is not one of the official languages of the WTO. The document will neither be translated nor circulated to the Committee, but will be made available by the Secretariat to Members requesting it.

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