

NOTIFICATION UNDER ARTICLE 12.1(C) OF THE AGREEMENT ON SAFEGUARDS

NOTIFICATION PURSUANT TO ARTICLE 9, FOOTNOTE 2 OF THE AGREEMENT ON SAFEGUARDS

SOUTH AFRICA

Corrosion resistant steel coil

The following communication, dated 15 June 2026 and received on 19 June 2026, is being circulated at the request of the delegation of South Africa.¹

In light of the agreed format for notifications ([G/SG/W/1](#), 23 February 1995), South Africa provides notifications to the Committee on Safeguards of findings of serious injury or threat thereof caused by increased imports and proposed safeguard measures.

On 17 January 2025, the International Trade Administration Commission of South Africa (the Commission) initiated an investigation relating to serious injury to the South African producer of the like or directly competitive with the imported product. Following a preliminary determination, South Africa imposed provisional safeguard measures against the imports of the product concerned in Notice No. R6340 in *Government Gazette* No. 52903 dated 27 June 2025.

The initiation of the investigation and the imposition of provisional measures have been notified to the Committee on safeguards (see WTO documents series [G/SG/N/7/ZAF/7](#) and [G/SG/N/11/ZAF/9](#)).

1. The product subject to the investigation

The subject product is described as flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, clad, plated or coated, with aluminium-zinc alloys, of a thickness of less

¹ Certain additional documents pertaining to this investigation have also been submitted electronically and are available to government representatives. To consult them, please contact Ms Anne Richards of the Rules Division (anne.richards@wto.org).

than 0.45mm, classifiable under tariff subheadings 7210.61.20 and 7210.61.30 and flat-rolled products of other alloy steel, of a width of 600 mm or more, otherwise plated or coated with zinc, of a thickness of less than 0.45mm, classifiable under tariff subheadings 7225.92.25 and 7225.92.35 ("corrosion resistant steel coil" or the "subject product").

2. Notification under Article 12.1(b) and (c)

Pursuant to Article 12.1(b) of the Agreement on Safeguards, the Government of South Africa hereby gives notification upon making a finding of serious injury caused by increased imports of flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, clad, plated or coated, with aluminium-zinc alloys, of a thickness of less than 0.45mm, classifiable under tariff subheadings 7210.61.20 and 7210.61.30 and flat-rolled products of other alloy steel, of a width of 600 mm or more, otherwise plated or coated with zinc, of a thickness of less than 0.45mm.

Pursuant to Article 12.1(c) of the Agreement on Safeguards, the Government of South Africa hereby gives notification upon taking a decision to apply a safeguard measure on imports of flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, clad, plated or coated, with aluminium-zinc alloys, of a thickness of less than 0.45mm, classifiable under tariff subheadings 7210.61.20 and 7210.61.30 and flat-rolled products of other alloy steel, of a width of 600 mm or more, otherwise plated or coated with zinc, of a thickness of less than 0.45mm.

3. Provide the basis for:

- (i) Making a finding of serious injury caused by increased imports, as provided for in Article 12.1(b);
- (ii) Taking a decision to apply a safeguard measure, as provided for in Article 12.1(c); and
- (iii) Specifying the developing countries to which the measure is not applied under Article 9.1 of the Agreement of Safeguards.

The International Trade Administration Commission of South Africa initiated an investigation pursuant to an application by ArcelorMittal South Africa Limited ("AMSA or "the Applicant"), the major producer of the subject product, representing the SACU industry in order to determine whether increased imports have caused serious injury to the domestic industry, within the meaning of the Agreement on Safeguards, in connection with corrosion resistant steel products.

3.1 The Commission made a final determination on the following:

(a) Unforeseen Developments and the effect of obligations incurred under the GATT 1994

The unforeseen developments are as follows:

- The decision to split the subject product into two main HS categories, namely non-alloy steel (HS7208) and alloy steel (HS7225) resulting in a tug and pull effect, whereby the increase in duties payable on one tariff sub-heading leads to a direct increase in the import volumes for the other due to their interchangeability in function; and
- The considerable over supply of the subject product in the world today causing a surge in imports into the SACU, which can be broken down into four main issues, namely:
 - (i) Studies show that China did not become a fully-fledged market economy as it assured WTO Members it would during negotiations;
 - (ii) Chinese economic activity has consistently declined since 1994 and large steel producers follow aggressive export strategies, fueled by an oversupply of steel products;
 - (iii) China's extraordinary economic growth is slowing down dramatically and the Chinese domestic market for steel is retracting, as a result of all of the above factors, Chinese producers have to increase their exports further, at reduced prices, to rid themselves of excess stocks; and
 - (iv) Worldwide, countries are taking urgent action to raise tariffs and impose trade remedies to protect their domestic steel industries; and it is expected that the surge in imports that the SACU has been experiencing will be augmented by the recent economic slowdown in China and by the fact that China's export markets are contracting rapidly.

(b) Increased Imports

There is sufficient information to indicate that there is a recent, sudden, sharp, and significant increase in imports.

Tons	2021	2022	2023
All countries' imports	93 764	86 138	100 918
Applicant total production	100	88	86
Imports as a % of the Applicant's output	100	105	125

The information above indicates that there was an overall increase in imports of the subject product throughout the period of investigation from 93 764 tonnes in 2021 to 100 918 tonnes in 2023, an increase of 7.63%. Further information in the table above indicates that there was a surge in imports in absolute terms of the imports of the subject products from 86 138 tonnes for the 2022 period to 100 918 tonnes for the 2023 period, an increase of 17% in absolute terms.

The Commission made a final determination that recent, sudden, sharp, and significant increase in the imports of the subject product occurred in the period May 2023 – April 2024, during this period imports increased by 17% and the subject product continued to be imported in increased quantities both in absolute terms and relative to production.

The Commission also made a final determination that these events cited were unforeseen developments which led to the imported product being imported into the SACU market in such increased quantities and under such conditions to cause serious injury to domestic producers of the SACU like product or directly competitive products.

(c) Serious injury

The period of investigation for data evaluation for the purposes of determining the allegation of serious injury during the period of surge from May 2023 – April 2024. Furthermore, the application contains information with regard to increased quantities of imports and serious injury during the period of investigation for injury from 1 May 2021 to 30 April 2024.

The injury analysis relates to information submitted by AMSA being the major producer of the subject product in the SACU.

There is sufficient evidence that the SACU industry has experienced injury in the form of a decline in sales volume, output, net profit, market share, capacity utilisation, productivity and employment, during the period of surge from 1 May 2021 to 30 April 2024.

The Commission made a final determination that the SACU industry is suffering serious injury.

(d) Causal link between increased import and serious injury

The Commission made a final determination that there is sufficient evidence of serious injury experienced by the SACU industry, that is caused by the recent, sudden, sharp and significant surge in the volume of imports. Although there are factors other than the surge in imports such as reduced demand in the steel market demand and lack of infrastructure investment, inputs costs, and energy supply and logistics constraints; these factors did not

sufficiently detract from the causal link between the surge in imports and the serious injury experienced by the Applicant, as these factors were temporary and did not take place throughout the period of investigation.

(e) Adjustment plan

The domestic industry has submitted an adjustment plan, outlining the measures it put into place for facilitation of adjustment of the domestic industry to the competitive conditions with the imports

(f) Offer of consultations under Article 12.3

The Government of South Africa offers consultations on the definitive safeguard measures

3.2 Provide a precise description of the proposed measure

A definitive measure of 52.34% on the imports of flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, clad, plated or coated, with aluminium-zinc alloys, of a thickness of less than 0.45mm, classifiable under tariff subheadings 7210.61.20 and 7210.61.30 and flat-rolled products of other alloy steel, of a width of 600 mm or more, otherwise plated or coated with zinc, of a thickness of less than 0.45mm, classifiable under tariff subheadings 7225.92.25 and 7225.92.35

3.3 Provide the date of introduction of the measure

The definitive measure came into effect on 12 June 2026.

3.4 Provide the expected duration of the measure

The safeguard measure, if adopted, will remain in force for 3 years.

3.5 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 date for the review has already been scheduled

Not applicable.

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

Period	Rate of safeguard measure
12 June 2026 – 11 June 2027	52.34%
12 June 2027 – 11 June 2028	37.34%
12 June 2028 – 11 June 2029	22.34 %

3.7 If the measure is being extended, also provide: (i) evidence that the industry concerned is adjusting and that the safeguard measure continues to be necessary to prevent or remedy serious injury

Not applicable.

4. Notification under Article 9, footnote 2

4.1 Specify the measure

The measure consists of 52.34% described in the notification under Article 12.1(c), above.

4.2 Specify the products subject to the measure

The measure shall be applied to the products described in paragraph 4 of the notification under Article 12.1(c), above.

4.3 Specify the developing countries to which the measure is not applied under Article 9.1 of the Agreement on Safeguards, and the import shares of these countries individually and collectively

(a) Imports from the following countries are excluded from the application of the safeguard measure, as described above:

List of developing countries excluded from the measures

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