WORLD TRADE ORGANIZATION

G/SG/N/8/ZAF/6/Suppl.4
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5 August 2026

(26-5584)

Committee on Safeguards

Original: English

NOTIFICATION UNDER ARTICLE 12.1(B) OF THE AGREEMENT ON SAFEGUARDS ON FINDING A SERIOUS INJURY OR THREAT THEREOF CAUSED BY INCREASED IMPORTS

NOTIFICATION UNDER ARTICLE 12.1(C) OF THE AGREEMENT ON SAFEGUARDS ON TAKING A DECISION TO APPLY A SAFEGUARD MEASURE

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

SOUTH AFRICA

Certain threaded fasteners of iron or steel

Supplement

The following communication, dated and received on 4 August 2026, is being circulated at the request of the delegation of South Africa.

Pursuant to Article 12.1(c) of the Agreement on Safeguards, the Government of South Africa hereby gives notification upon taking a decision to extend a safeguard measure on imports of threaded fasteners of iron or steel: bolt ends & screw studs, screw studding and other hexagon nuts (excluding those of stainless steel and those identifiable for aircraft).

The duty extension notice was published in the Government Gazette No. 54221 dated 27 February 2026.*

1. The product subject to the investigation

The subject product is described as bolt ends & screw studs (classifiable under tariff subheading 7318.15.41), screw studding (classifiable under tariff subheading 7318.15.42) and other hexagon nuts (classifiable under tariff subheading 7318.16.30) of iron and steel (excluding those of stainless steel and those identifiable for aircraft).

2. The basis for taking a decision to extend a safeguard measure, as provided for in Article 12.1(c)

The International Trade Administration Commission of South African ("the Commission") initiated an investigation pursuant to an application by the South African Fasteners Manufacturers' Association (SAFMA) on behalf of its members in order to determine whether the expiry of the safeguard measure will likely lead to the recurrence or continuation of serious injury to the Southern African Customs Union

* A copy of the duty extension notice and other related reference documents have been submitted electronically and are available to government representatives. To consult these documents, please contact Ms Richards (anne.richards@wto.org) of the Rules Division.

(SACU) industry, and whether the SACU industry is adjusting, within the meaning of the Agreement on Safeguards, in connection with threaded fasteners of iron or steel: bolt ends & screw studs, screw studding and other hexagon nuts (excluding those of stainless steel and those identifiable for aircraft).

(i) Recurrence of Serious Injury

The Commission considered the following injury indicators:

Table 1: Injury indicators

Injury indicators	Change from 2022 to 2025	Change should the duty expire
Imports volumes	Increased	Increased
Sales volumes	Decreased	Decreased
Profits	Decreased	Decreased
Output	Increased	Decreased
Applicant's market share	Decreased	Decreased
Total imports market share	Increased	Increased
Capacity utilization	Increased	Decreased
Employment	Decreased	Decreased
Productivity	Increased	Decreased

The data evaluation for the purposes of determining the likelihood of recurrence or continuation of serious injury covered the period from 1 May 2022 to 30 April 2025, forecast 1 May 2025 to 30 April 2026, plus estimates from 1 May 2026 to 30 April 2028 should the safeguard measure expire.

The injury analysis of the subject product relates to information submitted by CBC Fasteners (Pty) Ltd, SA Bolts Manufacturers, Impala Bolt and Nut (Pty) Ltd and T&l Chalmers Engineering, which are members of SAFMA, representing a major proportion of more than 50 percent of the SACU industry by production volumes.

The information in table 1 shows that the SACU industry's performance improved during the period for which a safeguard duty has been in place. This is evident from the increase in production volumes, productivity, and capacity utilisation during the period when the duty was in place, although that improvement did not generate more sales, profits and market share.

The assessment of the recurrence of serious injury in table 1 shows that there is a likelihood of recurrence of serious injury to the SACU industry, should the safeguard measure expire. The assessment shows that all the industry's performance indicators, i.e. sales volumes, production volumes, profits, market share, capacity utilisation, productivity, and employment numbers will decline in the succeeding period, should the safeguard duty expire. It is projected that profitability will deteriorate further, resulting in losses, and that domestic industry market share will decline further. This is likely to occur concurrently with an increase in imports during the same period. These estimated declines and increase in import volumes are an indication that should the safeguard measure not be extended, the serious injury experienced by the SACU industry during 2015-2018 period (period of investigation in the original investigation) will recur.

The assessment shows that the safeguard measure continues to be necessary to prevent or remedy the recurrence of serious injury.

(ii) SACU industry adjustment

The SACU industry has submitted the following efforts and/or measures taken to demonstrate that the SACU industry is adjusting in line with its the Adjustment Plan in the original safeguard investigation of the subject product.

- The SACU industry has made considerable investments of more than R30 million over the last 3 years, to improve on their technological abilities to increase efficiencies and thereby be able to compete more effectively with the imported product.

- The industry players remain committed to retaining skilled and semi-skilled staff and to expanding employment in technical areas such as toolmaking, quality control, and production management. However, employment levels saw a slight decline during the period of investigation. Safeguard duties have played an essential role in supporting job stability and skills development by providing market protection against imports. This protection helped maintain operations and avoid significant job losses. Extending these duties further is essential to maintain the progress achieved since their initial implementation.

- The industry, together with Arcelor Mittal SA ("AMSA") have rationalised raw material qualities thereby allowing AMSA higher production volumes on a narrower product range.

- The industry was making progress toward achieving reasonable production volumes following the safeguard duties.

- The industry has actively contributed to key policy initiatives, including Steel and Renewable Energy Reviews, the SA Renewable Energy Masterplan, and the creation of the Local Content Compliance Unit under the Steel Fund.

- The industry can confirm an average of above 70% local content based on T & I and CBC information. With CBC at above 90% local content and Impala investing in new products testing equipment to meet Japanese automotive OEM standards and enable Localisation.

The assessment shows that there is sufficient evidence that the SACU industry is adjusting.

3. Description of the proposed measure

The Commission initiated an extension investigation on 27 February 2026 through Notice No. 3802 in Government Gazette and the interested parties were given 20 days until 23 March 2026 to comment on the Commission's initiation notice.

On 5 March 2026 the Government of South Africa sent the WTO notice to the Committee on Safeguards to notify on initiation of investigation regarding the extension of a safeguard measure G/SG/N/6/ZAF/7/Suppl.2.

Comments on the initiation notice were received from interested parties. Based on the comments received on initiation of the investigation, the Commission, on 14 April 2026, made a final determination before "essentials facts" that the expiry of the safeguard measure is likely to lead to the recurrence of serious injury; and that there is evidence that the SACU industry is adjusting.

On 20 April 2026 essential facts letters were sent to interested parties, informing them of the essential facts which were being considered by the Commission and invited comments from interested parties on those "essential facts" for the Commission's consideration prior to making a final determination.

Comments on the essential facts letter were received from interested parties. After considering all interested parties' comments received, the Commission made a final determination that:

- the expiry of the safeguard measure is likely to lead to the recurrence of serious injury; and

- there is evidence that the SACU industry is adjusting.

Based on those findings, the current safeguard measure of 42.04% ad valorem is extended for a period of three years, phasing down at regular 12 months intervals by 2% over the next three years.

4. The date of extension of the measure

The date for the extension of the measure is 24 July 2026.

5. The duration of the measure

The measure shall be in place until 23 July 2029.

6. 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.

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

The duration is three years, and the following timetable shows the progressive liberalization of the measure.

Table 2: Proposed duties and liberalization schedule

Period	Rate of safeguard measure
24 July 2026 – 23 July 2027	42.04% ad valorem
24 July 2027 – 23 July 2028	40.04 ad valorem
24 July 2028 – 23 July 2029	38.04% ad valorem

The current liberalisation rate of the safeguard was set at an annual rate of 2%. The Commission assessed in this extension investigation whether this level of liberalisation continued to be appropriate. In order to allow the industry sufficient protection while fully implementing its adjustment plan, the Commission considered that an increase in the level of liberalisation beyond its current rate was not justified. Therefore, the safeguard duty will continue to phase down by 2% every 12 months as of 24 July 2026.

8. Exclusion of certain countries from the scope of the definitive measure

The extension investigation shows that imports of the subject product originating in several developing countries listed in table 3, based on latest official import data, meet the requirements of Article 9 of the WTO Agreement on Safeguards and should therefore be excluded.

Table 3: Developing countries to be excluded from the duty

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	

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主旨：有關南非通知世界貿易組織（WTO）延長對「鋼或鐵製螺釘、螺栓及六角螺帽」（Certain threaded fasteners of iron or steel）之防衛措施事，請查照。

說明：

一、依據WTO秘書處本（2026）年8月5日第G/SG/N/8/ZAF/6/Suppl.4號通知文件（如附件）辦理。相關文號：本團本年3月9日世貿字第1154340230號函。

訂

二、南非前於本年2月27日展開旨案延長防衛措施調查。南非調查機關經調查後認定，若防衛措施屆期終止，國內產業有再度遭受實質損害之可能性，加上足夠證據顯示國內產業正在進行調整，故南非決定自本年7月24日起延長旨案防衛措施3年至2029年7月23日止，每年調降2%從價稅率（ad valorem）。各年度防衛稅率如下：

線

(一)2026年7月24日至2027年7月23日：42.04%；
(二)2027年7月24日至2028年7月23日：40.04%；
(三)2028年7月24日至2029年7月23日：38.04%。

三、南非另公布符合WTO防衛協定第9條規定之開發中國家會員豁免清單，其中包含我國（詳參附件第5頁）。

正本：經濟部國際貿易署

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