Trade Remedies Authority

Provisional Affirmative Determination and Recommendation of Guarantee

INVESTIGATION No. AD0071

Dumping investigation into Hot-Rolled Steel Plate imported into the United Kingdom from the Republic of Korea

09 October 2025

Trade Remedies Authority

Contents

Section A Executive summary

1. This provisional affirmative determination (PAD) and recommendation to require a guarantee (Recommendation) is made pursuant to paragraphs 11(3) and 13(3)(a) and 13(8A) of Schedule 4 to the Taxation (Cross-border Trade) Act 2018 (the Act).

2. This PAD should be read in conjunction with other public documents available for this case, which are available on the public file at https://www.trade-remedies.service.gov.uk/public/case/AD0071/.

3. This investigation covers hot-rolled steel plate (HRP) imported into the United Kingdom (UK) originating from the Republic of Korea (RoK). A full description of the goods subject to this PAD and Recommendation can be found below in **section C**.

4. The period of investigation (POI) is 1 April 2024 to 31 March 2025. To assess injury, the TRA has chosen to examine the period from 1 April 2021 to 31 March 2025 as the injury period (IP). The specific years in the IP and POI will be referred to throughout this document as in the following table:

Injury Periods	Year
1 April 2021 - 31 March 2022	Year 1
1 April 2022 - 31 March 2023	Year 2
1 April 2023 - 31 March 2024	Year 3
1 April 2024 - 31 March 2025	Year 4 (POI)

5. Based on the evidence before it, and in accordance with paragraph 11(1) of Schedule 4 to the Act, the TRA has made a provisional determination that the goods concerned have been or are being dumped in the UK and the dumping of the goods concerned has caused or is causing injury to a UK industry in those goods.

6. In line with paragraph 13(3) of Schedule 4 to the Act, the TRA recommends to the Secretary of State for Business and Trade (the Secretary of State) that all importers of the relevant goods should be required to give a guarantee in respect of any additional amount of import duty that would have been applicable, or potentially applicable, to the relevant goods if an anti-dumping amount had been applied to the relevant goods based on the PAD (an estimated anti-dumping amount). This means that the importer who would be liable for the duty must provide a guarantee that they are able to pay the estimated anti-dumping amount if it becomes payable.

7. The TRA is satisfied that, in accordance with paragraph 13(4) of Schedule 4 to the Act, the guarantee is necessary to prevent injury being caused during the investigation to a UK industry in the relevant goods (defined in **section D**)

8. The TRA has determined that the guarantee meets the Economic Interest Test (EIT) and advises the Secretary of State on the provisional affirmative determination accordingly.

9. The TRA recommends the estimated anti-dumping amounts stated below:

Table 1 Estimated anti-dumping amounts

Overseas exporter/producer	Duty amount
Hyundai Steel	11.63%
POSCO	14.16%
All other overseas exporters (residual amount)	29.12%

10. In accordance with paragraph 14(2) of Schedule 4 to the Act, the guarantee may take the form of either a bank guarantee, a bond or cash. HM Revenue and Customs (HMRC) will administer the guarantee.

11. The TRA recommends that the requirement to give a guarantee ends six months from the day after the date of the publication of the Taxation Notice published under paragraph 15(5) of Schedule 4 to the Act, or when the definitive remedy is implemented, whichever is sooner.

Section B Background

B.1. Initiation of the investigation

12. On 3 April 2025, the TRA received an application lodged by Spartan UK Limited (Spartan) alleging that hot-rolled steel plates imported into the UK from the RoK have been or are being dumped and that the dumping has caused or is causing injury to the UK industry in the like goods.

13. The TRA was satisfied that the application contained sufficient evidence of potential dumping resulting in injury to justify the initiation of the investigation, and that the requirements referred to in paragraph 9 of Schedule 4 to the Act and regulation 51 of the Trade Remedies (Dumping and Subsidisation) (EU Exit) Regulations 2019 (the Regulations) had been met.

14. The dumping investigation was initiated by the TRA on 6 June 2025, and the Notice of Initiation was published on that date. The Secretary of State, the foreign government of the RoK and other interested parties and contributors were notified accordingly and invited to register on the Trade Remedies Service to participate in the investigation.

B.2. Participation in the investigation

15. Following initiation, the following parties registered to the case and submitted a registration form:

- UK Producers:
    - Spartan UK Limited (Spartan)
    - Tata Steel UK Limited (TSUK)
- RoK Producers/Exporters:
    - POSCO
    - Hyundai Steel Company (Hyundai Steel)
    - Dongkuk Steel Mill (*later withdrew*)
- RoK Exporters:
    - Stinko Co., Ltd
- UK Importers:
    - Duferco UK Limited
    - Stemcor Distribution Limited
    - OPR Services Ltd (deemed non-cooperative)
    - Salzgitter Mannesmann UK Limited (*later withdrew*)
- Other Contributing Parties:

- The International Steel Trade Association (ISTA)
- EEF Limited (UK Steel)
- Korea Iron and Steel Association (KOSA)
- Government of the Republic of Korea

16. After the publication of questionnaires, the following parties registered to the case and submitted a registration form:

- RoK Exporters:
    - Hyosung TNC Corporation
    - Samsung C&T Corporation
    - Sebang Metal Trading Co., Ltd.

17. POSCO submitted additional questionnaire responses from non-producing companies in its group that were involved in the process of selling the goods concerned to the UK. These additional questionnaires were completed by:

- POSCO International Corporation
- POSCO International (Thailand) Co., Ltd.
- POSCO International Deutschland GmbH.

B.3. Verification of data

18. This report is based on information available to the TRA at the time of drafting, and the TRA deems this information to be verifiable and sufficient to reach a provisional determination and to make a recommendation.

19. Verification activity to assess the completeness, relevance and accuracy of the information provided by registered parties is ongoing at the time of drafting this PAD. Any additional relevant information obtained within a reasonable time period will be considered in the statement of essential facts (SEF) and will be included in the TRA's final determination.

Section C The goods concerned and the like goods

C.1. Goods concerned

20. The TRA refers to the goods it investigates as the ‘goods concerned’, as per regulation 2 of the Regulations.

21. The goods concerned are hot-rolled steel plates described as:

Flat-rolled products of iron or non-alloy steel, of a width of 600mm or more, hot-rolled, not clad, plated or coated, not in coils; not further worked than hot-rolled, without patterns in relief, of a thickness of 4.75mm or more, excluding tool steel. Including perforated or non-perforated, not further worked than surface-treated or simply cut into shapes other than rectangular; and/or

Flat-rolled products of iron or non-alloy steel, of a width of 600mm or more, clad; and/or

Flat-rolled products of other alloy steel, of a width of 600mm or more, not further worked than hot-rolled, not in coils, of a thickness of 4.75 mm or more (excluding products of tool steel, high-speed steel or silicon-electrical steel)

22. The goods concerned are imported into the UK under the following UK Global Tariff commodity codes:

7208 5120	7208 5191	7208 5198
7208 5210	7208 5291	7208 5299
7208 9020	7208 9080	7210 9030
7225 4040	7225 4060	

C.2. Like goods and comparison with goods concerned

23. In accordance with paragraph 7 of Schedule 4 to the Act, the TRA refers to ‘like goods’ as those which are like the goods concerned in all respects or, if there are no such goods, goods which, although not alike in all respects, have characteristics closely resembling those of the goods in question.

24. In assessing whether the goods produced by the UK industry are like the goods concerned in all respects or with characteristics closely resembling them, the TRA has considered:

- physical likeness, including physical characteristics;
- commercial likeness, including competition and distribution channels;
- functional likeness, including end-use or interchangeability of the goods;
- similarities in production, including method of production and inputs;
- other relevant characteristics.

25. The goods concerned in this investigation are those that fit within the goods description and commodity codes above. According to HMRC trade data, goods falling under commodity code 72085120 made up approximately 70% of imports of the goods concerned from the RoK.

26. According to information from the websites of the two cooperating overseas producers, all varieties of hot-rolled steel plate in the RoK are produced predominantly in the same way, with similar end uses of shipbuilding, construction and heavy machines, offshore structures and wind farms, pressure vessels and line pipes.

27. POSCO produce hot-rolled products with a thickness of over 4.5 mm by rolling slab in a finishing mill.

"*Primarily, chemical composition, material, dimensions, shape, surface, and internal quality are required for the product, and depending on intended use, additional requirements, such as weldability, workability, heat resistance, and anti-corrosion, may be necessary*."[1]

28. POSCO's plate catalogue shows that it has a wide variety of options for ordering product dependent on the end use and specifications.

29. Hyundai Steel's website describes its production process as

"*hot rolling slabs followed by cooling or heat treatment processes…The slabs are first heated in a furnace, then the surface oxides are removed using a descaler, and they are rolled to the desired thickness and width using a roughing mill and a finishing mill. Afterwards, the plates are stabilized in quality using a cooling system and then cut to meet customer demands using cutting machines, followed by heat treatment to enhance strength and toughness, completing the final product."*[2]

30. In Spartan's application form, it indicates that

"its production process is identical to the final phase of plate production of Korean producers, where steel slab is transformed to the final plate product with required physical characteristics. The said difference in production stages does not influence steel plate characteristics."[3]

31. Like the production process of the RoK producers, Spartan

"produces steel plate by rolling semi-finished steel (slab) in the quarto rolling mill (four rolls high rolling line)...[by] reheating slab…Plate at the end of rolling goes through testing, finishing processes (cutting, heat treatment, etc), before the final despatch to customers."[4]

32. Spartan provided further information, which corroborates its website, stating that Spartan can produce plates with thickness ranging from 8 to 150mm, and with a maximum width of 2100mm and length of 22m. The plates produced by

[1] POSCO INTERNATIONAL (Accessed 08 October 2025)
[2] Steel Plate | Product & Technology | Hyundai Steel (Accessed 13 September 2025)
[3] Spartan application on the Trade Remedies Service
[4] Ibid.

Spartan can be used in a range of applications, for example, buildings, bridges, yellow goods, industrial machinery, wind turbines and general construction.[5]

33. During the registration period, TSUK registered as a UK producer of the like goods. TSUK produce plate by rolling on the hot strip mill[6]. The product range produced by TSUK is described as hot-rolled flat steel products, not in coils, with width exceeding 600mm and thickness exceeding 4.75mm.[7]

34. Based on the information provided by interested parties and research undertaken by the case team, the TRA has determined that the goods produced by the UK industry are like the goods concerned in all respects and therefore constitute "like goods" for the purposes of paragraph 7 of Schedule 4 to the Act.

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[5] Ibid., 8
[6] TSUK questionnaire on the Trade Remedies Service
[7] TSUK registration form on the Trade Remedies Service

Section D The UK industry and market

D.1. UK industry

35. In accordance with paragraph 6(1) of Schedule 4 of the Act, the UK industry is defined as all the producers in the UK of like goods or those of them whose collective output of like goods constitutes a major proportion of the total production of those goods in the UK.

36. For this investigation, using the information provided in the application, registration forms, and desk-based research, the TRA have defined the applicant, Spartan, and TSUK as the ‘UK industry’, meeting the requirement of paragraph 9(1)(a)(i) of Schedule 4 to the Act and Regulation 52(2) of the Regulations.

37. Liberty Steel Dazell[8] are also a manufacturer of the like goods but did not participate in the investigation and do not form part of the assessment.

D.2. UK market

38. The goods are used for a wide variety of applications including, but not limited to:

- Manufacturing;
- Stockholders;
- General fabrication; and
- Construction.[9] [10]

[8] LIBERTY Steel Dalzell - LIBERTY Steel UK
[9] TSUK questionnaire on the Trade Remedies Service
[10] Spartan questionnaire on the Trade Remedies Service

Section E Provisional findings on dumping

E.1. Dumping analysis

39. The TRA has assessed whether the goods concerned are being dumped in accordance with paragraphs 1(1) and 8(1)(a) of Schedule 4 to the Act.

40. We have calculated dumping margins in accordance with paragraph 2 of Schedule 4 to the Act and regulation 6(2) of the Regulations. In this preliminary determination, calculating the dumping margin involved the following stages:

- calculating the normal value of the goods concerned;
- determining the export price;
- ensuring a fair comparison between the normal value and the export price;
- calculating the dumping margins.

41. Based on information from the application, from open-source searches and information obtained from the government of the RoK, we established that there were likely three major RoK producers of the goods in scope of the investigation during the POI, which exported the goods concerned into the UK. The majority of exports were from two RoK exporters, POSCO and Hyundai Steel.

42. During the POI, exports of the goods concerned from the RoK accounted for an estimated volume of 51,000 MT and export value of £29,434,000. This represents an export share of 15.1% of the goods concerned in comparison with total imports of the goods on the basis of volume[11].

E.1.1. Normal value

43. Normal value is the benchmark price against which the export price of imported goods is compared to determine if dumping is occurring. The export price is compared with the cost that the goods are sold for in the overseas domestic market in the ordinary course of trade.

44. In accordance with regulation 6(1) of the Regulations, Part 2 of the Regulations applies where the TRA is required to determine whether goods have been or are being dumped into the UK in accordance with paragraph 1 of Schedule 4 to the Act. To make such a determination, the TRA must determine the normal value of the goods concerned in accordance with regulation 6(2)(a) of the Regulations.

45. In accordance with regulation 7(1) of the Regulations, the TRA must use the comparable price, or price of the goods sold in the ordinary course of trade, to determine the normal value unless it is not appropriate to use that price.

[11] HMRC raw customs declarations data

46. Regulation 7(2) of the Regulations sets out the circumstances in which it is not appropriate to use the comparable price to determine the normal value of the goods concerned. This includes where the overseas exporter in the exporting country or territory does not sell the like goods on the domestic market of the exporting country or territory, in accordance with regulation 7(2)(c) of the Regulations, or there are no sales of the like goods in the ordinary course of trade, in accordance with regulation 7(2)(a) of the Regulations.

47. We have determined that we could use the comparable price for fewer than 5% (by value and volume) of the domestic sales for Hyundai Steel due to a lack of sales in the ordinary course of trade, in accordance with regulation 7(2)(a) and regulation 9(1)(a). We also determined that for one PCN for Hyundai Steel there were no sales in the domestic market, in accordance with regulation 7(2)(c).

48. We have determined that we could use the comparable price for fewer than 25% (by value and volume) of the domestic sales for POSCO due to a lack of sales in the ordinary course of trade, in accordance with regulation 7(2)(a) and regulation 9(1)(a). We also determined that for one PCN there were no sales in the domestic market, in accordance with regulation 7(2)(c).

49. Where we have determined that it is not appropriate to use the comparable price of the like goods in the RoK to calculate the normal value, in accordance with regulation 7(2) of the Regulations, we have instead constructed normal value.

50. Given the available data, the TRA determined it was most appropriate to construct the normal value of the goods concerned in accordance with regulation 8(1)(a) of the Regulations. When determining normal value under this regulation the TRA must determine the costs of production plus a reasonable amount for administrative, selling and general (AS&G) costs and for profits, in accordance with regulations 11 and 12 of the Regulations.

E.1.2. Constructed normal value

51. As noted above, the TRA has determined that, for some PCNs, it is not appropriate to use the comparable price of the like goods in the RoK to calculate the normal value, in accordance with regulation 7(2) of the Regulations. Consequently, we have used an alternative method to calculate the normal value, in accordance with regulation 8(1)(a) of the Regulations.

E.1.2.1 Costs of production

52. Where the TRA determines the costs of production for the purposes of regulation 8(1)(a) of the Regulations, it will do so in accordance with regulation 11.

53. Regulation 11(2) of the Regulations sets out that where regulation 11(3) applies, the TRA will normally calculate the costs of production of the like goods on the basis of records kept by the overseas exporter.

54. Regulation 11(3) of the Regulations applies if we are satisfied that the verification of the overseas exporters results in a reasonable level of assurance that the information provided by the exporter is complete, relevant, and accurate for the purposes of this investigation. This is because this process will

ensure that the exporter’s records are in accordance with Generally Accepted Accounting Principles (GAAP) of the RoK and reasonably reflect the costs associated with the production and sale of the like goods in the RoK.

55. Where the records of the overseas exporter do not meet the criteria in regulation 11(3), the costs of production may be calculated by the TRA using any other reasonable basis.

56. Verification activity to assess the completeness, relevance, and accuracy of the information provided by all parties is ongoing at the time of drafting this PAD. Consequently, the TRA is not yet able to fully determine whether regulation 11(3) is met. For the purposes of the PAD, we assume it is, however verification activity may result in that assessment being changed.

57. For the purposes of this PAD, the TRA used the costs of production as reported by the overseas exporters.

E.1.2.2 Administrative, selling, and general costs

58. Where the TRA determines a reasonable amount for AS&G costs for the purposes of regulation 8(1)(a) of the Regulations, it will do so in accordance with regulation 12.

59. Regulation 12(2) of the Regulations sets out that the TRA must determine reasonable amounts for the AS&G costs on the basis of the actual data pertaining to the production and sales by the overseas exporter of the like goods, in the ordinary course of trade, in the domestic market of the exporting country or territory.

60. The TRA used the AS&G costs provided by the overseas exporters for the purposes of this PAD.

61. Verification to assess the completeness, relevance, and accuracy of the information provided by all parties is ongoing at the time of drafting this PAD.

E.1.2.3 Reasonable level of profits

62. Where the TRA determines a reasonable amount for profits for the purposes of regulation 8(1)(a) of the Regulations, it will do so in accordance with regulation 12.

63. Regulation 12(2) of the Regulations sets out that, subject to regulation 12(3), the TRA must determine a reasonable amount for profits on the basis of the actual data pertaining to the production and sales by the overseas exporter of the like goods, in the ordinary course of trade, in the domestic market of the exporting country or territory.

64. The TRA has determined that some domestic sales of the like goods made by POSCO and Hyundai Steel were in the ordinary course of trade in the domestic market of the exporting country or territory. These profitable sales were used to determine a reasonable level of profit, in accordance with regulation 12(2) of the Regulations.

65. Verification activity to assess the completeness, relevance, and accuracy of the information provided by all parties is ongoing at the time of drafting this PAD.

E.1.3. Export price

66. In accordance with regulation 15(1) of the Regulations, the export price is the price the goods concerned are sold for, or the agreed price at which they are to be sold, to either an importer in the UK or a third party outside of the UK for export to the UK.

67. For both Hyundai Steel and POSCO, the TRA has determined the export price based on the price at which they were sold to a third party outside of the UK in accordance with regulation 15(1)(b).

68. We have determined that the export price submitted by the overseas producers during the POI was sufficiently reliable to be used in this investigation. We have not identified any association between the producers and the buyer that would have a material impact on the export price.

E.1.4. Fair comparison

69. For the purposes of regulation 6(2)(c) of the Regulations, to ensure a fair comparison, the normal value and export price should be compared at the same level of trade; normally on an ex-factory level and in respect of sales made as near as possible the same time, in accordance with regulation 16(1) of the Regulations.

70. In accordance with regulation 16(2) of the Regulations the TRA may make adjustments for any differences which affect price comparability including differences relating to:

    - conditions and terms of sale
    - taxation
    - levels of trade
    - quantities
    - physical adjustments.

71. POSCO and Hyundai Steel reported fair comparison adjustments to its respective sales data that has been used to adjust export price to ex-works level.

72. For normal value, where the comparable price has been used, POSCO and Hyundai Steel reported fair comparison adjustments to its respective sales data that has been used to adjust normal value price to ex-works level.

73. Where we determined that it was not appropriate to use the comparable price, we have used constructed normal value to determine the dumping amount for the affected PCNs, in accordance with regulation 7(2)(a) and regulation 7(2)(c) of the Regulations. For this PAD, as the constructed normal value has been calculated at an ex-works level, no adjustments for conditions and terms of sale, taxation, quantities, or physical characteristics were determined to be necessary to ensure a fair comparison.

E.1.5. Provisional dumping margin

74. In accordance with regulation 17(1)(a) of the Regulations, the TRA compared a weighted average normal value with a weighted average export price to calculate the dumping margin for Hyundai Steel and POSCO.

75. The TRA has not made a decision to limit its examination of overseas exporters at this stage of the case, in accordance with regulation 56 or 57 of the Regulations.

76. For all other overseas exporters of the goods concerned, in accordance with regulation 38 of the Regulations, the TRA determined a residual amount by selecting the dumping margin established for the PCNs in the top 20% (those with the highest dumping margins) for each sampled exporter. This method was selected to avoid over-reliance on any PCNs with a particularly high dumping margin. From the selected PCNs, a weighted average dumping margin was calculated.

77. The provisional dumping margins are:

Table 2 Provisional dumping margins

Overseas exporter/producer	Dumping margin
Hyundai Steel	11.63%
POSCO	14.16%
All other overseas exporters (residual dumping margin)	29.12%

Section F Provisional findings on injury

F.1. Injury analysis

78. In accordance with regulation 27(2) of the Regulations, as the TRA has determined that goods have been or are being dumped into the United Kingdom, it must determine whether:

- a UK industry has suffered or is suffering injury in accordance with regulation 30 of the Regulations (determination of injury); and
- the dumped goods have caused or are causing that injury to that UK industry.

79. To determine injury from imports of the goods concerned, in line with regulation 30(2) of the Regulations, the TRA has examined four factors:

a) the volume of the dumped goods during the IP;

b) the effect of the dumped goods on prices of the like goods in the UK market during the IP;

c) the consequent impact of the dumped goods on UK industry during the IP;

d) any other factors it considers relevant.

80. To determine whether the dumped goods have caused or are causing injury to UK industry, in line with regulation 35 of the Regulations, the TRA has also examined whether any known factors other than the dumped goods (other known factors) have caused or are causing injury to the UK industry.

F.1.1.Impact of the dumped goods concerned on domestic production

F.1.1.1 Volume of the HRP imports

81. In accordance with regulation 30(2)(a) and 31, the TRA assessed HMRC raw customs declarations data to determine if there has been significant increase in the volume of dumped goods throughout the IP and the POI.

Table 3 Indexed imports of HRP into the UK

	Year 1	Year 2	Year 3	POI
RoK imports into the UK by volume	100	209	333	361
All imports (including from RoK) of the goods into the UK by volume	100	100	97	108

Source: HMRC raw customs declarations data

82. The data shows, over the IP, an increase of imports from RoK to the UK of 261 points over the baseline. In contrast, all imports into the UK increased by eight

points over the baseline by the end of the IP. This shows a sizeable increase in the volume of goods being imported into the UK from the RoK over the course of the IP, as well as the RoK gaining an increased share of the import market.

F.1.1.2 UK domestic production of the like goods over the IP

Table 4 Indexed domestic production

	Year 1	Year 2	Year 3	POI
UK domestic production of the like goods volume	100	95	93	81
UK domestic production of the like goods by value	100	116	95	77

Source: UK industry questionnaire responses

83. Over the course of the IP, domestic production volume fell. The value of domestic production rose in year 2 before falling to below the baseline in year 3, reaching its lowest point in the POI.

F.1.1.3 UK consumption of HRP over the IP

Table 5 Indexed consumption of HRP in the UK

	Year 1	Year 2	Year 3	POI
UK consumption of HRP by volume	100	94	95	98
UK consumption of HRP by value	100	117	97	92

Source: UK industry questionnaire responses and HMRC raw customs declarations data

84. Domestic consumption was calculated by combining HMRC raw customs declarations data with the domestic sales reported by UK industry. Throughout the IP, domestic consumption by volume remained relatively stable, decreasing in year 2 before increasing in year 3 and the POI. Domestic consumption by value rose in year 2 before decreasing in year 3 and the POI. In the POI, domestic consumption by both volume and value were lower than the baseline.

85. The data in tables 3, 4 and 5 indicate that, during the IP, imports of HRP into the UK from the RoK have risen markedly higher than imports to the UK from all countries combined (including the RoK). In contrast, domestic production by UK industry has fallen over the same period. As domestic consumption and import levels from all countries remained relatively stable over the IP, this could indicate that the UK industry is losing market share as a result of the increased RoK imports.

F.1.1.4 Impact of the dumped goods concerned on prices

F.1.1.5 Price undercutting

86. In accordance with regulation 30(2)(b) and 32, the TRA assessed the effect of the dumped goods on prices of the like goods in the UK during the injury period and whether there is significant undercutting, depression and suppression of prices.

87. Price undercutting is where the imported goods are consistently sold at a price below that of the like goods in the UK.

88. An undercutting margin is calculated by comparing the UK industry sales price (ex-factory) with the CIF (cost, insurance, freight) import price (the landed price) of similar products during the POI. The landed price is the price of the goods concerned when they arrive at a port plus relevant import duties and other costs associated with importing.

89. An undercutting margin (%) reflects the extent to which landed prices of the imported goods concerned are lower than the UK industry sales prices of the like goods.

90. The undercutting margins were calculated using sales data supplied by the exporters and by UK industry, at PCN level. Bank of England rates were used for currency conversion. No adjustments were made to either landed prices or UK industry sales prices, and calculations were performed based on the data as reported by the interested parties.

91. An undercutting margin of **29.99%** was calculated for the RoK producers during the POI. This rate indicates that, for those PCNs that matched the products produced by UK industry, price undercutting was occurring.

F.1.1.6 Price depression

92. Price depression occurs when the UK industry is forced to reduce its prices to compete against lower priced dumped goods. The TRA compared the average domestic price of the UK industry like goods to the average import price of the goods concerned from the RoK to establish whether there was price depression during the IP.

Table 6 Indexed average unit prices

	Year 1	**Year 2**	**Year 3**	**POI**
Average unit price for UK industry sales	100	119	90	78
Average unit price for RoK imports	100	134	96	79
RoK imports unit price relative to UK industry unit price[12]	85 - 90%	95 - 100%	88 - 93%	83 - 88%

Source: UK industry questionnaire responses and HMRC raw customs declarations data

[12] This data has been provided as a range to protect confidentiality.

93. The prices of RoK imports and UK domestic sales fell at a similar rate throughout the IP. However, the RoK imports unit price as a percentage of the UK industry unit price indicates that, during the POI, dumped goods were being sold at an average unit price which is 12% to 17% lower than the average unit price of UK industry sales.

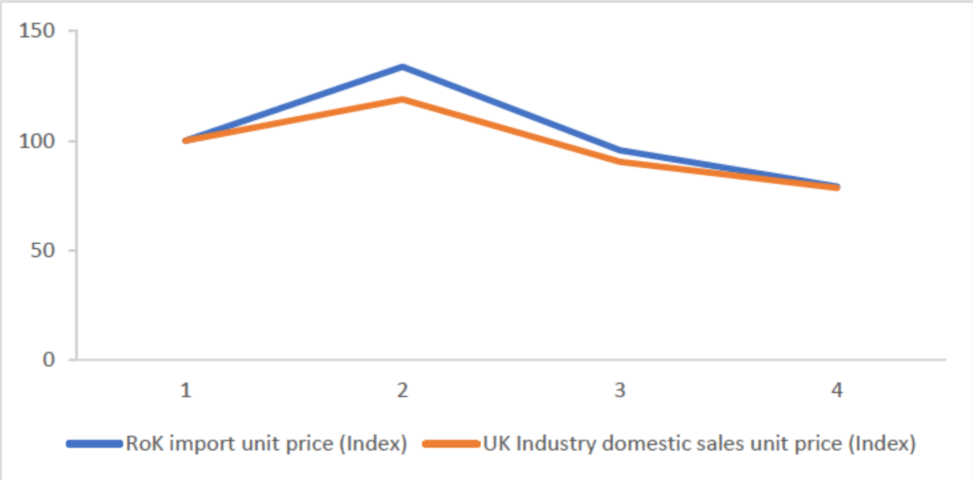

Figure 1 UK domestic sales unit price compared to RoK import unit price over the IP. Source: UK industry questionnaire responses and HMRC raw customs declarations data.

F.1.1.7 Price suppression

94. Price suppression occurs where price increases for the like goods, which otherwise would have occurred, have been prevented to a significant degree due to the price of the imported goods concerned.

95. To assess whether there was any evidence of price suppression, the TRA examined changes to domestic sales prices and changes to the profit margins for the like goods produced by the UK industry during the IP. Cost of production information for the UK industry was only available for the POI, so could not be included in a trend analysis.

Table 7 Indexed UK industry profit of the like goods

	Year 1	Year 2	Year 3	POI
Net operating profit after tax (NOPAT) for like goods only*	100	66	68	-43
Average net operating profit after tax (NOPAT) margin for like goods*	100	58	82	-78

*Source: UK industry questionnaire responses. *Spartan only*

96. The data from UK industry indicates declining profitability across the IP as both the NOPAT for the like goods and the NOPAT margin declined. During the POI, UK industry was loss-making. This is in line with the downward trend previously seen in the UK industry's sales prices across the IP (section F1.1.6).

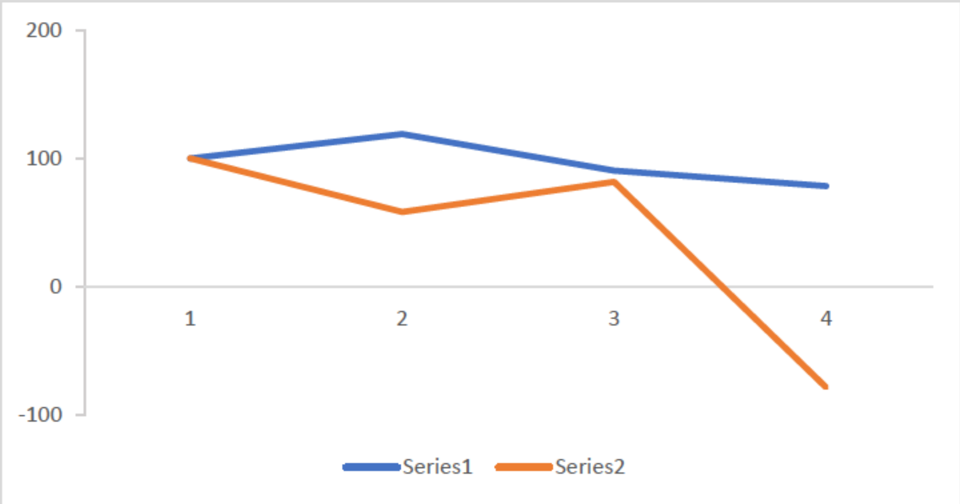

Figure 2 UK Industry domestic sales unit prices and NOPAT profit margins for the like goods price suppression. Source: UK industry questionnaire responses (Spartan only).

97. The data shows that there was a reduction in the UK industry's sales prices alongside a reduction in NOPAT profit margins throughout the IP. Given RoK imports have markedly increased during the IP, and the prices of RoK imports have decreased over the same period, the TRA concludes that RoK imports have had a suppressive effect upon the price of the like goods by preventing the UK sales prices from being raised sufficiently to reach profitable levels.

98. Based on the above assessments, we conclude that

- The combined undercutting margin for POSCO and Hyundai Steel during the POI is **29.99%**. This rate indicates that there was significant price undercutting occurring across all PCNs that matched those produced by UK industry.
- There is significant price depression due to the goods concerned. The TRA have assessed that this is due to the imports from the RoK being priced consistently lower than those of the UK industry.
- There is significant price suppression due to the goods concerned. The TRA have assessed that the large volume and reduced prices of the imports from the RoK have prevented the UK industry from achieving sales prices sufficiently to reach profitable levels.

F.1.2. Impact of dumped goods concerned on UK industry during the injury period

99. In considering, for the purpose of regulation 30(2)(c) and 33, the impact of the dumped goods on the UK industry, the TRA must take into account all relevant economic factors and indices having a bearing on the UK industry including:

- actual and potential decline in sales, profits, output, market share, productivity, return on investments, and utilisation of capacity;
- factors affecting domestic prices of the like goods;
- the magnitude of the margin of dumping;
- actual and potential negative effects on cash flow, inventories, employment, wages, growth, the ability to raise capital or investments.

F.1.2.1 Sales

100. The TRA assessed how the volume and value of the UK industry's sales have changed over the IP.

Table 8 Indexed UK industry domestic sales

	Year 1	Year 2	Year 3	POI
UK domestic sales by volume	100	87	92	86
UK domestic sales by value	100	104	83	67

Source: UK industry questionnaire responses

101. The data in table 8 clearly demonstrates a sustained decline in both UK sales volume and value over the IP, with value contracting at a significantly faster rate than volume. This strongly indicates that, during the IP, the UK industry was compelled to reduce sales prices in response to falling sales volumes.

Table 9 Indexed average unit prices of HRP

	Year 1	Year 2	Year 3	POI
UK domestic average unit price	100	119	90	78
RoK imports average unit price	100	134	96	79
All imports (including RoK) average unit price	100	127	111	103

Source: UK industry questionnaire responses and HMRC raw customs declarations data

102. The data for the UK industry shows that, despite a rise in year 2, the domestic sales prices dropped over the course of the IP, with the POI being 22 points lower than the baseline. Following a broadly similar trend, the sales prices of imports from the RoK were 21 points lower than baseline in the POI. Contrary to this, the sales prices of all imports rose three points from the baseline in the POI.

103. The conflicting trends of the sales prices of all imports compared to the prices of those from the RoK suggests that the decrease in the RoK imports sales prices cannot be attributed to a global factor that impacted the entire HRP steel industry.

104. Over the IP, the UK industry's total sales volumes, values, and average prices of the like goods dropped. We have therefore concluded the sales factors (volume, values and prices) are contributing to the injury occurring in the UK HRP industry.

F.1.2.2 Market Share

105. Market share examines the UK industry's share of total UK consumption of the like goods. Movements in market share are interpreted alongside imports (volume, value and unit price) to understand competitive pressure in the UK market.

Table 10 Indexed consumption of HRP in the UK

	Year 1	Year 2	Year 3	POI
Consumption for HRP by volume	100	94	95	98
Consumption for HRP by value	100	117	97	92

Source: UK industry questionnaire responses and HMRC raw customs declarations data

106. Consumption of HRP in the UK is based on the total UK domestic sales, and the imports from all countries. UK consumption by volume and value stayed fairly stable throughout the IP, dropping 2 and 8 points respectively over the course of the IP. This shows that overall market size has not markedly changed during the IP.

Table 11 Indexed all imports to the UK by volume and value

	Year 1	Year 2	Year 3	POI
All imports (including RoK) by volume	100	100	97	108
All imports (including RoK) by value	100	127	107	111

Source: HMRC raw customs declarations data

Table 12 Indexed average unit prices (all imports and RoK)

	Year 1	Year 2	Year 3	POI
All imports (including RoK) average unit price	100	127	111	103
RoK imports average unit price	100	134	96	79
RoK imports unit price relative to all imports (including RoK) unit price	82%	86%	71%	63%

Source: HMRC raw customs declarations data

107. The TRA analysed volume, value, and average unit price indices over the POI to assess imports of HRP from the RoK. We found that imports from the RoK increased in both volume and value, while the price per unit of HRP imported from the RoK decreased in line with the decrease in UK industry unit prices.

108. In contrast, total import volumes, values, and unit prices from all countries into the UK are stable throughout the IP, rising slightly. The rising import volumes align with the decreases in domestic sales volume and value seen in section F1.2.1, and indicate that, given consumption is stable, the domestic sales are being replaced by the sale of imports.

109. Given the stability of the unit prices of all imports, and the declining prices for RoK imports, the gap between the price of goods from all countries and the price of goods from the RoK grew throughout the IP, with a -37% difference in the POI.

110. We have assessed that surging RoK import volumes, lower RoK unit prices, and a widening gap between RoK imports relative to all imports indicates intensifying price and volume pressure on the UK industry. These movements are consistent with the effects of dumped imports, aligning with the observed weakening in UK sales indicators across the IP, despite UK consumption remaining stable.

Table 13 Indexed UK industry market share

	Year 1	Year 2	Year 3	POI
Market share of UK industry by volume	100	93	97	87
Market share of UK industry by value	100	89	86	73

Source: UK industry questionnaire responses and HMRC raw customs declarations data

111. The TRA assessed UK domestic sales against domestic and import sales combined. Throughout the IP the market share of UK industry declines in both volume and value, with a greater decline being observed by value.

112. In the IP, UK consumption remained stable, while UK industry domestic sales, by both volume and value, fell. This data indicates that the domestic industry has a weakening position in the UK market. A likely cause of this decline is heightened competition from the imports market, with imports from the RoK increasing disproportionately to the import levels of all countries over the IP. Furthermore, the unit prices of RoK imports are markedly lower than the unit prices of all country imports in the same period which signals heightened price pressure from RoK supply. We have therefore determined that a declining market share for UK industry is a positive indicator of injury.

F.1.2.3 Profit

113. The TRA assessed the net operating profit after tax (NOPAT) for the like goods, alongside the average NOPAT margin for the like goods and finance costs.

Table 14 Indexed UK industry profitability over the IP

	Year 1	Year 2	Year 3	POI
Net operating profit after tax (NOPAT) for like goods only	100	51	5	-75
Average net operating profit after tax (NOPAT) margin for like goods	100	44	-1	-113

Source: UK industry questionnaire responses. Data from Spartan only

114. The data from UK industry indicates declining profitability across the IP as both the NOPAT for the like goods and the NOPAT margin declined. During the POI, UK industry was loss-making.

115. Based on the data assessed, we have concluded that declining profitability during the IP is a positive indicator of injury.

F.1.2.4 Output

116. To assess output, the TRA analysed how the production of the like goods has changed over the IP.

Table 15 Indexed UK industry production output over the IP

	Year 1	Year 2	Year 3	POI
Output by volume	100	95	93	81
Output by value	100	116	95	77

Source: UK industry questionnaire responses

117. The data shows a sustained reduction in output by volume throughout the IP, with the POI being 19 points below the baseline. Output value rose 16 points above the baseline in the year 2, which coincides with unit price increases (section F1.2.1). However, in year 3 and the POI, output value fell, reaching a low of 23 points below the baseline in the POI. This drop indicates that any earlier uplift in the value of production was not maintained.

118. We have concluded that output is a positive indicator of injury given production output by both volume and value decreased during the IP.

F.1.2.5 Capacity Utilisation

119. The TRA assessed whether the UK industry is utilising its production capacity.

Table 16 Indexed UK industry production capacity of the like goods over the IP

	Year 1	Year 2	Year 3	POI
Production capacity for HRP	100	100	100	100
Production capacity utilisation for HRP	100	94	92	78

Source: UK industry questionnaire responses

120. Production capacity remained unchanged throughout the IP for UK industry while capacity utilisation dropped 22 points from the baseline in the POI.

121. The lowering capacity utilisation coincides with the output decrease. These declining factors over the IP suggest that resources are underused and that operating conditions are weakening for UK industry. We have therefore concluded that the decline of production capacity utilisation is a positive indicator of injury.

F.1.2.6 Stock Levels[13]

122. This factor examines whether goods are being retained in inventory rather than being sold. The TRA assessed this factor by tracking year-end manufactured stocks over the IP.

Table 17 Indexed UK industry inventories of manufactured and purchased HRP over the IP

	Year 1	Year 2	Year 3	POI
Stocks at year end, total volume of all manufactured HRP	100	100	104	137
Stocks at year end, total value of all manufactured HRP	100	108	110	135

Source: UK industry questionnaire responses

123. The stock of manufactured like goods increase throughout the IP indicates a build-up of goods. However, given production levels decreased, this stock increase was not caused by increased production (**section F1.2.4**). As such, the TRA assess that this increase is likely due to declining sales, in line with previous findings (**section F1.2.1**).

124. Given manufactured stocks rose during the IP, indicating that HRP was being retained rather than sold, and domestic production did not increase, we consider that increasing stock levels are a positive indicator of injury.

F.1.2.7 Productivity, Employment and Wages

125. The TRA analysed those employed in the production of the like goods, and their labour productivity, by assessing the number of employees, their median wages, and their average output of the like goods.

Table 18 Indexed UK industry employment and productivity over the IP

	Year 1	Year 2	Year 3	Year 4
Number of employees for like goods	100	109	107	87
Average output in volume per employee for the like goods	100	92	90	76

Source: UK industry questionnaire responses

126. The number of employees for the like goods fluctuated through the IP, ending 13 points below baseline in the POI. This suggests that UK industry is not maintaining staffing levels for the like goods.

[13] Spartan only

127. Furthermore, productivity declined steadily across the IP, reaching a low of 24 points below baseline in the POI. This indicates that there are fewer employees for the like goods, and declining output levels.

128. Due to the lack of available information, we were unable to assess employee wages.

129. During the POI, average output in volume per employee was 24 points below baseline, and like goods employment was 13 points below baseline. Together, these changes indicate weakening labour efficiency and a contraction in the staffing associated with the like goods. We have therefore concluded that productivity and employment are positive indicators of injury.

F.1.2.8 Investment, Cash Flow and ROI

130. The TRA assessed the UK industry's ability to fund operations and future capability by examining the cash flow generated by the like goods and investment within the IP[14].

Table 19 Indexed UK industry cash flow over the IP

	Year 1	Year 2	Year 3	POI
Net cash flow for the like goods	100	-71	114	3

Source: UK industry questionnaire responses

131. Cash flow figures show instability over the IP and poor cash generation in the POI.

Table 20 Indexed UK industry total investments in the IP

	Year 1	Year 2	Year 3	POI
Total investment for like goods	100	58	12	29
Expansion/Capacity Investments	100	18	4	0

Source: UK industry questionnaire responses

132. Total investments for the like goods decline over the IP reaching a low of 71 points below the baseline in the POI. This trend indicates tightened capital spending.

133. Expansion related investments also decrease over the IP, reaching a low of zero in the POI. This indicates no expansionary investment during the POI.

134. There is insufficient data provided by UK producers to assess Return on Investment (ROI) for the like goods. As such, we did not evaluate ROI in this PAD.

135. During the POI, cash flow for the like goods was markedly below baseline, and overall investment in expansion or capacity deteriorated to zero. The absence of recoverable cash generation alongside reduced capital spending supports the assessment that the UK industry is vulnerable, with limited headroom to

[14] Spartan only.

absorb further pressure from dumped imports. We have therefore concluded that investments and cashflow are positive indicators of injury.

F.1.3. Other factors considered relevant

F.1.3.1 **The Safeguard measure and Tariff Rate Quotas**

136. Throughout the IP there has been a safeguard measure in place applicable to certain steel products[15]. On 30 June 2025, following a review of the Tariff Rate Quotas (TRQs) related to the safeguard measure, the Secretary of State published a taxation notice outlining changes to the safeguard measure TRQs[16]. This notice took effect on 1 July 2025. The goods applicable in this investigation are subject to the safeguard measure and fall under category 1 and category 7 steel goods.

137. The Secretary of State decided to impose a 20% cap in the residual quotas of category 7, meaning that any particular country without a specific country quota can only use 20% of the residual quota for that steel category. Under the category 7 quota, 20% equates to approximately 5,080 MT per quarter. Prior to this change, the residual quota had no restriction on any one country using up any amount of the quota.

138. Although the volume of the goods concerned able to come into the UK prior to being subject to a safeguard duty has been limited following the Secretary of State's decision, this is a separate matter from this anti-dumping investigation. Furthermore, the new TRQ implementation has happened outside of the IP for this investigation and therefore, we do not consider this as part of our assessment.

F.1.3.2 Causation and non-attribution

139. In accordance with regulation 30(2)(d) and 35 of the Regulations, injury caused by other known factors must not be attributed to dumped imports of the goods concerned. The TRA considered whether any other known factors, other than the dumped goods, caused or are causing injury to the UK industry.

140. The TRA assessed whether there is a causal link between dumped imports from the RoK and the injury to the UK industry evidenced in the economic factors set out in **section F1.2**. The trends, most notably sales, profitability, unit prices, and market share, evolve in step with the timing and scale of dumped imports, establishing a strong timely correlation

[15] Trade Remedies Notice 2023/11: safeguard measure: tariff-rate quota on steel goods - GOV.UK
[16] Trade remedies notice 2025/12: safeguard measure: tariff-rate quota on steel goods - GOV.UK

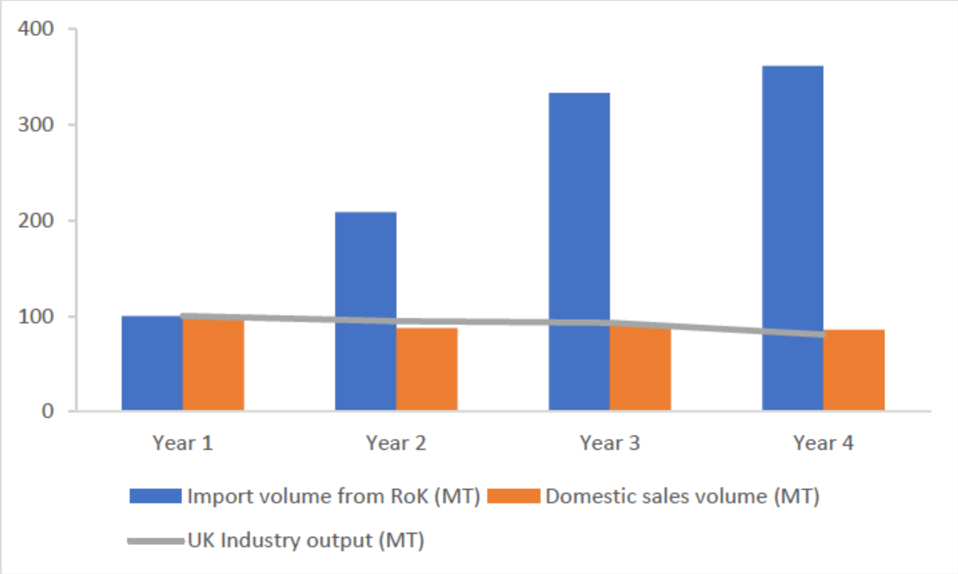

Figure 3 UK industry decline in sales and output coinciding with RoK import volume indexed. Source: UK industry questionnaire responses and HMRC raw customs declarations data.

141. Figure 3 shows a sustained increase in the presence of the dumped goods at times that coincide with stagnant consumption and pressure on the UK industry's sales and market share (section F1.2). This alignment supports the view that the volume of dumped imports has contributed to market share displacement and to the adverse contraction in the UK industry's quantitative indicators such as sales, capacity utilisation and profit. The pattern is consistent with the import trajectory.

F.1.3.3 Export of HRP from third countries

142. The TRA analysed the volume, share of imports, and unit prices of imports of the top five importers into the UK to determine if injury is occurring due to third country imports.

Table 21 Indexed volume, share of imports and unit price for the top five third country importers of HRP into the UK over the IP

	Units	Year 1	Year 2	Year 3	POI
Netherlands	Volume	100	136	120	118
	Share of imports	100	136	124	109
	Unit price	100	118	103	96
Sweden	Volume	100	305	344	291
	Share of imports	100	306	356	268
	Unit price	100	90	82	92
Germany	Volume	100	110	83	117
	Share of imports	100	110	86	108
	Unit price	100	129	126	102
RoK	Volume	100	209	333	361
	Share of imports	100	209	344	334
	Unit price	100	134	96	79

	Units	Year 1	Year 2	Year 3	POI
Denmark	Volume	100	75	66	48
	Share of imports	100	75	68	44
	Unit price	100	135	105	94
UK Total (All countries)	**Volume**	**100**	**100**	**97**	**108**
	Share of imports	**100**	**100**	**100**	**100**
	Unit price	**100**	**127**	**111**	**103**

Source: HMRC raw customs declarations data

143. Imports from the RoK, by volume, increased from 100 to 361 over the IP, with import share rising from 100 to 334 and the unit price index falling to 79. By contrast, the UK total import index, by volume, rose from 100 to 108.

144. Other exporters either remained relatively stable over the IP (Netherlands, Germany) or reduced across all parameters (Denmark), apart from Sweden. Sweden's trends show that volumes and import shares markedly increased, while prices declined. However, these trends did not increase and decrease to the same extent as RoK imports, and Sweden has maintained the highest unit price throughout the IP amongst the top five importers into the UK. This demonstrates that the combination of sustained volume, market share growth, and material price depression seen for the RoK is not observed for the other top exporters.

F.1.3.4 Contraction in demand or changes in the pattern of consumption of the like goods

145. The consumption in the UK for HRP does not expand over the IP. As seen in section F1.2.2, the overall UK market does not show sustained growth and instead is stable close to baseline for volume at 98 and 92 for value at the end of the POI.

146. This reinforces that any exporter showing persistent volume and import share gains alongside price undercutting is acting against the market trend.

F.1.3.5 Developments in technology

147. The TRA examined whether any technological advancements in the production of the like goods occurred during the IP that could have materially altered the competitive dynamics of the UK market. Such developments, if present, could constitute an alternative cause of injury by improving efficiency or reducing costs for overseas producers.

148. Following a review of the questionnaire responses submitted by interested parties, no evidence was provided to indicate the existence of significant innovations or process improvements in HRP manufacturing that would materially affect market conditions or the UK industry's competitive position. Accordingly, we conclude that technological change did not play a determinative role in the injury observed.

F.1.3.6 The export performance and productivity of the UK industry

149. The TRA reviewed the export performance of the UK industry alongside its overall productivity indicators.

Table 22 Export sales of UK industry for volume and value indexed.

	Year 1	Year 2	Year 3	Year 4
Export sales by volume index (MT)	100	120	93	66
Export sales by value index (£)	100	137	87	51

Source: UK industry questionnaire responses

150. The evidence shows that exports declined over the IP, both in absolute terms and as a share of total sales. While this represents a negative trend, the domestic market accounts for the majority of UK sales, and domestic sales also fell during the same timeframe.

151. Given this context, the reduction in exports cannot reasonably be considered the cause of injury to the UK industry. Any impact from weaker export performance is likely to be limited and secondary, particularly when compared with the scale of domestic market developments and the timing of dumped imports. Accordingly, export performance is not a determinative factor in the injury assessment.

F.1.4. Conclusion on Injury

152. The TRA has holistically assessed all evidence submitted by parties registered to this case, as well as data collected from UK industry and official sources. We have concluded that the UK industry has suffered material injury during the IP, and that this injury is likely caused by dumped imports of HRP from the RoK.

153. The TRA determined that there has been a substantial and sustained increase in import volumes from the RoK throughout the IP. The increase in dumped imports is significant both in absolute terms and relative to UK production and UK consumption over the same period.

154. The UK industry has experienced significant price undercutting, price depression, and price suppression as a result of the dumped imports. An undercutting margin for cooperating RoK producers of **29.99%**, and the price gap between RoK imports and UK industry sales widened over the IP, with RoK imports consistently priced below the UK industry and all-country import averages.

155. The TRA's assessment of economic factors throughout the IP demonstrates that the following indicators point to material injury suffered by the UK industry:

- **Sales:** The UK industry's domestic sales volumes and values declined over the IP, despite stable UK consumption.
- **Market share:** This decline in sales is accompanied by a loss of market share, demonstrating that RoK is taking a greater share of the import market and exerting downwards pressure on prices within the UK domestic market with dumped goods..

- **Profits:** The UK industry's profitability deteriorated, with NOPAT and NOPAT profit margin both declining and becoming negative in the POI.
- **Output:** Output by volume and value declined steadily over the IP.
- **Capacity utilisation:** Capacity utilisation declined steadily, reflecting underused resources and weakening operating conditions.
- **Stock levels:** Manufactured stock levels increased materially, indicating unsold product and further evidence of lost sales.
- **Productivity, employment and wages:** Labour productivity and employment both declined, with productivity falling 24 points and employment falling 13 points below baseline by the POI.
- **Investment, cashflow and ROI:** Cash flow was weak in the POI, and investment in expansion and capacity declined to zero.

156. Due to the unavailability of data provided by interested parties, wages and ROI were not included within the injury assessment.

157. The TRA assessed that the following factors could not be used to determine whether injury was being caused:

- **Imports from third countries:** Imports from third countries did not display the same sustained growth or price depression as RoK imports and are consistent with normal competitive variation. Sweden had increased imports with falling prices, but to a much lesser degree than imports from the RoK.
- **Demand contraction and consumption patterns:** UK consumption remained broadly stable by volume and declined by value; therefore demand-side factors do not explain the scale or timing of the injury.
- **Technological developments:** No evidence was provided of significant innovations or process improvements in HRP manufacturing that would materially affect market conditions or the UK industry's competitive position.
- **Export performance:** While export sales declined over the period, the domestic market remained the primary channel for UK industry, and the timing and scale of export changes do not account for the injury observed.

158. Based on a holistic assessment of all the data, the TRA has identified volume trends and associated price effects of dumped imports from the RoK that correspond with negative changes in economic factors for UK industry, establishing a clear causal link. The injury suffered by the UK industry is therefore attributed to the dumped imports of HRP from the RoK.

F.1.5. Provisional injury margin

159. The injury margin is the extent to which the UK industry is being injured. The default method is to base the injury margin for each exporter on its underselling

margin. This is calculated by comparing a benchmark UK price (the target price) with the import price (the landed price) for each matching PCN.

160. The total amount of underselling is then expressed as a percentage of the total import value of the goods concerned. This method was used to calculate an injury margin for each cooperating exporter.

161. For all other overseas exporters of the goods concerned, the TRA determined a residual margin by selecting the injury margin established for the PCNs in the top 20% (those with the highest injury margins) for each sampled exporter. This method was selected to avoid over-reliance on any PCNs with a particularly high injury margin. From the selected PCNs, a weighted average injury margin was calculated.

162. The provisional injury margins are:

Table 23 Provisional injury margins

Overseas exporter/producer	Injury margin
Hyundai Steel	36.73%
POSCO	53.67%
All other overseas exporters (residual injury margin)	58.30%

Section G Economic interest test

G.1. Economic Interest Test overview

G.1.1. Introduction

163. In accordance with paragraph 13(3) of Schedule 4 to the Act, the TRA may recommend to the Secretary of State all importers of the relevant goods should be required to give a guarantee, in respect of any additional import duty which would have been applicable, or potentially applicable, to the goods if an anti-dumping amount had been applied to the goods based on the PAD.

164. In accordance with paragraph 13(8A) of Schedule 4 to the Act, where the TRA makes that recommendation, it must advise the Secretary of State whether and why it considers that requiring a guarantee in accordance with its recommendation meets the EIT.

165. The EIT is set out in paragraph 25 of Schedule 4 to the Act and is, in accordance with paragraph 25(3) of Schedule 4 to the Act, presumed to be met unless the TRA is satisfied that the requirement of the guarantee is not in the economic interest of the UK.

166. In line with paragraph 25 of Schedule 4 to the Act, the TRA has taken account of the following in conducting the EIT:

- the injury caused by the dumping of the goods to the UK industry of the goods and the benefits to that UK industry in removing that injury;
- the economic significance of affected industries and consumers in the UK;
- the likely impact on affected industries and consumers in the UK;
- the likely impact on particular geographic areas, or particular groups, in the UK;
- the likely consequences for the competitive environment, and for the structure of markets for like goods, in the UK; and
- such other matters as the TRA considers relevant.

167. As this is a provisional determination, only the period from the implementation of a guarantee until the final determination will be considered for assessing any impacts. Longer term impacts that may result from the imposition or non-imposition of a final measure will be addressed later in the investigation.

G.1.2. Evidence Base

168. The TRA has sent pre-sampling questionnaires (PSQs) and questionnaires to registered parties. Evidence from these has fed into the analysis in this section.

G.2. Injury caused by dumped imports of the goods and the benefits to the UK industry in removing that injury

169. In **section F**, the TRA found that the UK industry has been suffering material injury due to dumped imports of HRP from the RoK. The injury assessment concluded that there would be further injury if an anti-dumping duty were not imposed.

G.3. The economic significance of affected industries and consumers in the UK

170. We have identified the following groups in the UK HRP supply chain as potentially being affected by the implementation of a guarantee. We have attributed all known businesses to one of these groups based on their principal activity to avoid double counting.

- **Upstream businesses:** Industries which produce raw materials needed to produce the like goods.
- **UK producers of HRP**
- **Importers of HRP:** Companies that import HRP into the UK.
- **Downstream businesses:** Companies that use HRP to produce other goods or in construction.

171. There is some overlap between downstream businesses and importers (for example some downstream businesses import HRP to manufacture other goods). We have attributed all known businesses to one category based on their main activity to avoid double counting.

172. For all businesses assessed we have used the most recent available accounts, typically the last five years.

G.3.1. UK producers

173. Through research and submitted evidence, we have identified three UK producers of HRP, namely Spartan, and TSUK and Liberty Steel Dazell. As mentioned previously, we have received producer questionnaires from two of these – Spartan and TSUK.

174. Initial analysis indicates HRP is very important to Spartan as sales of HRP account for most of its revenue. The analysis also shows HRP is somewhat important to TSUK. Further, we assess Spartan has medium vulnerability to economic shocks. This is due to declining turnover and EBITDA[17]. The EBITDA margin[18] has declined since 2022.

175. TSUK is judged to be highly vulnerable to economic shocks as their EBITDA has been negative for four out of five years between 2021-2025.

[17] EBITDA: Earnings Before Interest, Tax, Depreciation and Amortisation – A measure of profits.
[18] EBITDA to Turnover ratio.

176. From the five most recent published accounts, the two UK businesses assessed employ an annual average of 7,884 people with a combined annual turnover of £2,795m. We estimate their combined annual GVA[19] to be £127m.

G.3.2. Upstream businesses

177. From UK producer questionnaire responses, we identified one UK business that sells the raw materials required to produce HRP.

178. We found HRP is somewhat important to this business. Purchases of steel slab by Spartan and TSUK account for 1.5% of turnover. We also found this business to be highly vulnerable to economic shocks due to negative EBITDA margins.

179. From the five most recent published accounts, the upstream business employs an annual average of 4,126 people with £1,325m in turnover. We estimate their GVA to be £117m

G.3.3. UK importers

180. We identified 314 importers of HRP through searches for importers of the goods concerned on HMRC Trader[20]. Four of these importers chose to register with the case. The same four submitted PSQs, while two provided full questionnaire submissions.

181. Out of the 314 businesses, for the EIT, we selected six businesses for sampling, including three of the businesses registered to the case. We selected businesses based on availability of data, regularity of imports, and to capture a range of business sizes. We estimate the sampled businesses account for more than 50% if imports of HRP from RoK[21].

182. We found these businesses to have medium vulnerability to economic shocks overall. We found all companies were profitable in the most recent year of published accounts and employment is generally stable. We also found turnover, GVA and EBITDA were typically lower than their peak over the five years of accounts we examined.

183. On aggregate we found HRP was somewhat important to these businesses. Where businesses submitted questionnaires or PSQs, we found UK sales of HRP imported from the RoK accounted for 4 - 7% of turnover.

184. From the five most recent published accounts, the six selected businesses employ an annual average of 147 people in total with a combined annual turnover of £488m. We estimate their combined annual GVA to be £28.4m.

G.3.4. Downstream businesses

185. We obtained initial information regarding downstream businesses through producer and importer PSQs and questionnaires.

186. We identified 552 downstream businesses. Out of these 552 businesses, we sampled eight. We selected these businesses based on availability of data,

[19] GVA: Gross Value Added – A measure of the companies' contribution to the UK economy.
[20] HMRC – Find UK Traders
[21] HMRC raw customs declaration data.

value of HRP purchases, and to capture a range of company sizes and sectors. The sampled businesses represented around 16% of domestic sales by UK producers.

187. We consider downstream businesses to be low-medium vulnerability to economic shocks overall. Half of sampled businesses are assessed to have medium vulnerability, some businesses are assessed to have low vulnerability, one sampled business was assessed as high vulnerability.

188. We estimate HRP is somewhat important to these downstream businesses, purchases from UK producers and importers accounted for 3% of their turnover overall. HRP purchases accounted for more than 20% of revenue in two companies, these two businesses are assessed to be low-medium vulnerability and are smaller than our sample average in terms of turnover and employment.

189. From the five most recent published accounts, the eight selected businesses employ an annual average of 2,935 people and have a combined annual turnover of £896m. We estimate their combined annual GVA to be £197m.

G.3.5. Consumers

190. Our desk research and analysis has shown that HRP is not an end-consumer product. HRP is typically sold to downstream businesses that use it in their operations. We have received limited evidence to support analysis into how HRP price changes may influence downstream consumer costs. We cannot therefore draw conclusions as to the significance of HRP on this group.

G.3.6. Summary

191. Table 24 summarises our economic significance analysis for segments of the HRP supply chain.

Table 24 Economic significance of affected industries

Supply-chain part	UK producers	UK importers	Upstream	Downstream
Total known businesses	3	314	1	552
Assessed at PAD[22]	2	6	1	8
Importance of HRP[23]	**Somewhat – Very important**	**Somewhat important[24]**	**Somewhat important**	**Somewhat important**
Total employment	7,884	147	4,126	2,935
Total GVA (£m)[25]	126.7	28.4	117	197
Total turnover (£ms)	2,795	487.5	1,325	896
EBITDA margin, 5yr average weighted (%)	-10.7	3.4	-4.8	5.6
Vulnerability to economic shocks[26]	**Medium-High Vulnerability**	**Medium Vulnerability**	**High Vulnerability**	**Low-Medium Vulnerability**
Source: Importer & Producer Questionnaires/PSQs; and Dunn & Bradstreet				

[22] Businesses excluded include: (i) where data was unavailable; (ii) where data presented anomalies; and/or (iii) where the business was judged to be to be less relevant for analysis.

[23] UK Producers: HRP Sales as a % of turnover, UK Importers: UK Sales of HRP imported from South Korea as a % of turnover, Upstream: Purchases by UK producers of raw materials used for HRP as a % of turnover, Downstream: Sales of HRP from UK producers and importers to downstream businesses as a % of turnover.

[24] Only assessed for 3 registered parties with full accounts available and PSQs or questionnaires.

[25] GVA was estimated by summing operating profits, employment costs, depreciation and amortisation

[26] The assessment of vulnerability to negative economic impacts was made, in part, by looking at financial data.

G.4. The likely impact of the guarantee on affected industries and consumers in the UK

192. This section qualitatively assesses how prices and quantities throughout the supply chain are likely to be impacted as a result of the imposition of a guarantee or a lack thereof. We then assess the likely impact of changes in prices and quantities on affected industries and consumers.

G.4.1. Prices and quantities should a guarantee be implemented

193. We expect the domestic price of HRP to increase if a guarantee is implemented. The aggregate HRP price change is expected to be low given the small share of imports that RoK accounts for (15% of imports of the goods concerned in the POI by volume)[27] and the availability of substitutes such as Hot-Rolled: Sheets, Strips, Coils and Large Rolled Beams[28].

194. It is likely that the guarantee would reduce the quantity of HRP supplied to the UK by the RoK. This reduction would potentially lead to UK producers increasing domestic sales at the expense of export sales, although we note Spartan have cited falling exports to the European Union (EU) due to increased competition from RoK imports into the EU. The overall quantity of HRP used in the UK is however unlikely to change significantly as demand is largely driven by external macroeconomic factors.

G.4.2. Prices and quantities should a guarantee not be implemented

195. If no guarantee is imposed on HRP from the RoK, we expect aggregate prices and quantities of HRP in the UK are unlikely to change. However, evidence from one UK producer indicates they are currently struggling to compete.

G.5. Likely impact on affected industries of the guarantee

G.5.1. UK producers

196. We expect UK producers to benefit from the guarantee following price increases. Section F1.2.5 suggests UK producers would also be able to increase production if the guarantee led to a fall in demand for goods imported from RoK. UK producers may also shift exports to domestic sales where possible.

G.5.2. Upstream businesses

197. Upstream industries which supply UK producers are likely to benefit as the result of the guarantee. However, impacts are likely to be limited, given the short-term nature of the guarantee, and the limited purchases from UK producers. This means that benefits to the upstream business are likely to be marginal. However, the benefit to UK producers of the guarantee will lead to continued demand for raw materials, which may not be the case if they left the market.

[27] HMRC raw customs declaration data
[28] Spartan questionnaire on the Trade Remedies Service

G.5.3. UK importers

198. HRP importers are likely to be negatively impacted by the guarantee. This will be most acute for businesses for whom RoK HRP is a very important product; although less so for those businesses which are more diversified. We expect that importers will need to increase the price of RoK HRP by the amount of the guarantee, with changes in their customers' demand depending on the HRP alternatives available to them for their specific uses.

G.5.4. Downstream businesses & consumers

199. Most downstream industries are likely to experience increases in costs from using HRP in their businesses. However, businesses which use larger amount of HRP would experience higher cost pressures.

200. We have received limited evidence to analyse the impact of the price of HRP on the consumers. We do not consider there to be significant consumer impacts at this stage.

G.5.5. Summary

201. Table 25 provides a summary of the expected impacts from the guarantee.

Table 25 Summary of Impacts

Group	Expected impacts
UK producers	Positive impacts
Upstream	Marginally positive impacts
UK importers	Negative impacts
Downstream	Marginally negative to negative impacts
Consumers	Limited evidence, impacts expected to be marginal

G.6. The likely impact of the guarantee on particular geographic areas, and particular groups

G.6.1. Likely impact on particular areas

202. This geographic analysis considers all market segments as the evidence suggested HRP is at least 'somewhat important' for all groups.

203. The data used for the geographic analysis was sourced through: questionnaire responses, Dun & Bradstreet, and the Office of National Statistics (ONS) estimates of working age population by travel to work area (TTWA). We assessed the geographic significance using the employment of affected industries as a proportion of working age population in each TTWA. Where employment is more than 1% of the working age population within a TTWA, we consider this an indicator of the likelihood of a disproportionate negative geographical impact. Limitations on employment data has meant we have had to estimate site employment by equally splitting total employment between known sites in some cases.

204. We identified two areas where the estimated employment from the affected groups constituted more than 1% of the TTWAs working age population. These two TTWAs

are Scunthorpe and Northallerton for upstream and downstream business respectively.

G.6.1.1 Upstream business

205. We have estimated the upstream business employs 1.4% of the working age population in the Scunthorpe TTWA.

206. Socio-economic data suggests Scunthorpe's average income is below the national average and there is also below average job density. Further detail is provided in table 26. Given the percentage of the working age population employed here there is some risk for the Scunthorpe TTWA if a guarantee is not imposed, however we note HRP only accounts for 1.5% of the upstream business' revenue.

G.6.1.2 Downstream businesses

207. We have estimated a downstream business employs 1.3% of the working age population in the Northallerton TTWA. It is possible this business' employment is dispersed amongst other sites however we do not have sufficient data to assess this.

208. Socio-economic data suggests Northallerton's average income is below the national average however there is above average job density. Further detail is provided in table 26. Given these indicators, the likelihood that this business' employment is more geographically dispersed and the low-medium vulnerability of downstream businesses we assess the risk from imposing a guarantee to Northallerton to be low.

Table 26 Socio-economic data for parts of the UK where HRP supply chain is an important employer

Travel to Work Area (TTWA)	Job Density (2019)	Claimant Count (2020)	NVQ Level 4 Qualifications of above (2021)	Mean annual pay (full time earnings) (£) (2024)
Scunthorpe	0.77	5.25	31.4	31,676
Decline of UK TTWAs (10 = least deprived)	3	4	2	5
Northallerton	0.96	2.81	41.6	31,513
Decline of UK TTWAs (10 = least deprived)	9	10	7	5
UK	**0.87**	**5.3**	**43.6**	**38,224**

Sources: ONS; ONS, Annual Survey of Hours and Earnings, Earnings and hours worked, work-based travel to work area: ASHE Table 11; and ONS, Annual Population Survey.

G.6.2. Likely impact on particular groups

209. The TRA considered the likely impact on particular groups including those with protected characteristics as defined by the Equality Act 2010. No evidence was provided regarding potential impacts on workers or consumers. We therefore

conclude that the imposition or non-imposition of a guarantee is unlikely to have any significant impact on particular groups.

G.7. The likely consequences for the competitive environment and the structure of UK markets

210. We expect limited changes to the competitive environment or to the structure of the UK's HRP market following a guarantee. The main reasons for this are:

- The parts of the supply chain most likely to experience negative impacts (UK importers), does not have a high vulnerability to economic shocks;
- The nature of the market means that a short-term guarantee is unlikely to significantly influence long-term supply decisions for HRP.

211. It is possible that the range of products available to consumers may be impacted by RoK HRP leaving the market or increasing in price. However, at this stage of our analysis we expect this to be limited.

G.8. Other factors the TRA considers relevant

212. We found no evidence of any other factors for the period of the guarantee.

G.9. Conclusions

213. In accordance with paragraph 25 of Schedule 4 to the Act, the EIT is met if the application of the guarantee is in the economic interest of the UK. This test is presumed to be met unless the TRA is satisfied that the application of the guarantee is not in the economic interest of the UK.

214. We have determined the UK industry has been suffering injury due to the dumping of HRP from the RoK. The injury assessment concluded that there would be further injury were a guarantee not recommended.

215. Our significance assessment concluded HRP is somewhat important to all market segments assessed. It is very important to one of the UK producers.

216. In the impacts section we found the imposition of a guarantee is likely to benefit UK domestic producers. Importers are likely to experience negative impacts. Upstream and downstream businesses are likely marginal positive and negative impacts respectively.

217. We identified Scunthorpe and Northallerton as TTWAs with significant employment in the HRP supply chain. The upstream business in Scunthorpe would likely benefit from a guarantee, however the impact is expected to be low. The downstream business in Northallerton is likely to experience marginal negative effects, therefore the impact is also expected to be low.

218. In the competition section, we expect only limited changes to the competitive environment or structure of the UK's HRP market from a guarantee.

219. We found no evidence of any other relevant factors to consider.

220. Having considered the evidence submitted by the relevant parties and all the factors listed in the legislation, we do not consider the negative impacts to be disproportionate to the need to remove the injury caused to UK industry. **We therefore conclude that the EIT is met for the proposed requirement of a guarantee.**

Section H Summary of provisional findings and recommendation

H.1. Preliminary findings

221. In accordance with paragraph 11(1) of Schedule 4 to the Act, the TRA determined that the goods concerned have been dumped in UK; and the dumping of the goods concerned has caused injury to a UK industry in those goods.

222. We are satisfied that, in accordance with paragraph 13(4) of Schedule 4 to the Act, requiring the guarantee in accordance with our recommendation is necessary to prevent injury being caused during the remainder of the investigation to the UK industry in the like goods and meets the economic interest, as established in paragraph 25 of Schedule 4 to the Act.

H.2. Recommendation

223. In line with paragraph 13(3)(a) of Schedule 4 to the Act, the TRA recommends to the Secretary of State that all importers of the relevant goods should be required to give a guarantee in respect of the estimated anti-dumping amount given below.

H.2.1. Form of a guarantee

224. The TRA recommends that the guarantee takes the form of a bank guarantee, a bond or cash in accordance with paragraph 14(2) of Schedule 4 to the Act.

H.2.2. Amount of guarantee

225. The TRA has compared the dumping and injury margins calculated in this PAD. In line with paragraph 14(3) of Schedule 4 to the Act, the TRA's recommendation regarding how the estimated anti-dumping amount should be determined for the purpose of calculating the amount of the guarantee must be such that the estimated anti-dumping amount does not exceed the margin of dumping or the amount which the TRA is satisfied would be adequate to remove injury to the UK industry if that amount is less than the margin of dumping.

226. The TRA recommend the following estimated anti-dumping amounts for calculating the amount of the guarantee, which are based on the lower of the dumping and injury margins calculated:

Table 27 Recommended anti-dumping amounts

Overseas exporter/producer	Dumping margin	Injury margin	Estimated anti-dumping amount
Hyundai Steel	11.63%	36.73%	**11.63%**
POSCO	14.16%	53.67%	**14.16%**
All other overseas exporters (residual amount)	29.12%	58.30%	**29.12%**

227. The guarantee should be calculated by applying the estimated anti-dumping amount as ad valorem duties to the CIF import value of the goods concerned.

H.2.3. Period of the guarantee

228. The TRA recommend that the requirement to give a guarantee ends six months from the day after the date of the publication of the Taxation Notice, or when the definitive remedy is implemented, whichever is sooner.

Section I Next steps

229. If the TRA's recommendation is accepted, the Secretary of State will publish a Taxation Notice, in line with paragraph 15(5)(b) of Schedule 4 to the Act. This will give effect to the imposition of the guarantee. Affected importers will be notified that they need to set up the guarantee when first importing the goods concerned into the UK. A guarantee will be required during the period of the provisional remedy.

230. Interested parties and contributors are invited to make submissions in response to this report. Any submissions on this report received prior to the deadline for submission of comments on the SEF will be considered and addressed in the final determination.

231. The TRA may consider submissions made after this date, but please note that it is not obliged to do so if it would cause an unnecessary delay in the preparation of the final recommendation. Where the TRA rejects information for any reason, it will publish the reasons for rejection in the final determination.

232. Submissions should be sent via the TRA's Trade Remedies Service and should be accompanied by a non-confidential summary, which will be made available to other parties on the public file.

233. Further information in respect of the guarantee can be found in the Taxation Notice published by the Secretary of State and further guidance on guarantees is available on GOV.UK.