



Trade Remedies
Authority

Tariff Rate Quota Review

Case TQ0078

Final Determination and Recommendation

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Section A: Summary

A1. Introduction

1. This tariff rate quota (TRQ) review concerns the safeguard measure applying to category 12A steel products. The [Notice of Initiation](#) (NOI) was published on 14 January 2026. The scope of the goods subject to review is defined in section C2.2 Goods Subject to Review.
2. The Statement of Intended Final Determination (SIFD), which set out the essential facts that the Trade Remedies Authority (TRA) established during this TRQ review, was published on 13 February 2026 and is available on the public file.
3. Interested parties made submissions in response to the SIFD via the Trade Remedies Service (TRS). These submissions have been addressed in this final determination and recommendation.
4. For further guidance and information regarding TRQ reviews, please see our [public guidance concerning reviews of safeguard measures](#).

A2. Legal framework

5. This final determination and recommendation is made pursuant to regulations 35B(7)(b) and 37(1) of the Trade Remedies (Increase in Imports Causing Serious Injury to UK Producers) (EU Exit) Regulations 2019 (as amended) (the Safeguard Regulations). In accordance with regulation 37(4) of the Safeguard Regulations, it includes:
 - a description of the goods to which the recommendation relates;
 - the reasons for the TRA's recommendation;
 - the recommended period for which the definitive safeguarding remedy should be applicable, which must begin on the day after the date of publication of the public notice under section 13 of the Act giving effect to the recommendation;
 - information which the TRA considers is likely to be relevant to the Secretary of State for Business and Trade (the Secretary of State) decision as to whether it would not be in the public interest to accept the TRA's recommendation;

- any other information which the TRA considers relevant.

A3. About this review

6. This is a TRQ review of a trade remedy measure under regulation 35B of the Safeguard Regulations. As per regulation 35B(1) of the Safeguard Regulations, the TRA may conduct a TRQ review where it is satisfied that there is sufficient information indicating that there may have been a change of circumstance since the application of the tariff rate quota.
7. On 14 January 2026, the TRA initiated this TRQ review following receipt of an application submitted by the Confederation of British Metalforming (the CBM). This application included information indicating that there may have been a change of circumstance which corresponds with the provisions in regulation 35B(9) of the Safeguard Regulations, namely the impact of the tariff rate quota on traditional trade flows, and that UK production of certain goods like those covered by category 12A has ceased.
8. The Period of Investigation (POI) for the review to assess the change in circumstances is 1 October 2024 to 30 September 2025. The representative period for assessing traditional trade flows is the period of 1 July 2017 to 30 June 2018.
9. On 13 February 2026, the TRA published the SIFD. The SIFD was made pursuant to regulations 29 and 36(4A) of the Safeguard Regulations. It included:
 - the final determination that the TRA intended to make;
 - a summary of the facts considered during the review; and
 - details of the facts and analysis forming the basis of the intended determination.
10. Parties were invited to make comments to the SIFD by 23 February 2026. Comments to the SIFD are summarised in section C3.2 Comments and addressed in the relevant sections below.

Section B: Background and initiation

B1. Summary and initiation

11. Details of the measure currently imposed, including the tariff rate quotas, are set out in:
 - [Trade remedies notice 2025/12: Safeguarding measure: tariff-rate quota on steel goods](#)
12. The TRA received a TRQ review application relating to Category 12A of the steel safeguards measure from the Confederation of British Metalforming (CBM) (a UK trade association of importers and users of the goods subject to review) alleging there has been a change in circumstances since the application of the TRQ. The TRA then assessed that the application contained sufficient evidence indicating that there may have been a change in circumstances since the application of the TRQ to category 12A to justify initiating a TRQ review, in accordance with Regulation 35B(1) of the Safeguard Regulations.
13. This TRQ review has considered whether the tariff rate quota to which certain steel products are subject should be varied. The goods subject to review is defined in section C2.2 Goods Subject to Review.

B2. Interested parties and contributors

14. When the TRA initiated this TRQ review, it provided an opportunity for parties to register their interest and provide comments. A list of registered interested parties and contributors are set out in this table:

Table 1: Interested parties and contributors registered to the review TQ0078

Name	Abbreviation	Category	Submission
The Confederation of British Metalforming	The CBM	Applicant / Trade Association	Application
British Steel Ltd	British Steel	Domestic producer of like or directly competitive goods	Registration of Interest
Specialty Steel UK Ltd	SSUK	Domestic producer of like or directly competitive goods	Registration of Interest
			SIFD comments
7 Steel (UK) Limited	7 Steel	Domestic producer of like or directly competitive goods	Registration of Interest
			SIFD comments
Bright Steels Limited	Bright Steels	Importer of the goods subject to review	Registration of Interest
Chapmans Agricultural Limited	Chapmans Agricultural	Importer of the goods subject to review	Registration of Interest
Cooper & Turner Limited	Cooper and Turner	Importer of the goods subject to review	Registration of Interest
Garton Limited	Garton	Importer of the goods subject to review	Registration of Interest
Solid Swivel Company Limited	Solid Swivel Ltd	Importer of the goods subject to review	Registration of Interest
Tinsley Bridge Limited	Tinsley Bridge	Importer of the goods subject to review	Registration of Interest
Government of the Republic of Korea	Government of the RK	Foreign Government	Registration of Interest
The Ministry of Trade of Republic of Türkiye	Government of the RT	Foreign Government	Registration of Interest
Ministry of Commerce, India	Government of India	Foreign Government	Registration of Interest
Government of Malaysia	Government of Malaysia	Foreign Government	Registration of Interest
EEF Limited (UK Steel)	UK Steel	Trade Association	Registration of Interest

15. The submissions made to this TRQ review are available on the [public file](#).

Section C: Review Process

C1. Overview

16. To identify whether there had been a change of circumstances since the application of the tariff rate quota to the goods subject to review, the POI was set as 1 October 2024 to 30 September 2025. This is the most recent 12-month period that we have trade data for.
17. By conducting the analysis over a 12-month period, the TRA was able to identify representative trade patterns for the products in scope and minimise distortions based on fluctuations of trade at different times of the year. Where relevant we have also conducted analysis on a quarterly basis during the POI, including when we account for the variation of the measure in July 2025.

C2. Scope

C2.1 Countries

18. This review considers imports from all countries subject to the safeguard measure as well as those from developing countries who currently are excepted from the safeguard measure.
19. Developing country members of the WTO are listed in **Annex 2**.

C2.2 Goods Subject to Review

20. 'Goods subject to review' is defined in regulation 2 of the Safeguard Regulations as 'the goods described in the notice of initiation of a review'.
21. The goods subject to review in this TRQ review are:
 - Category 12A – Alloy merchant bars and light sections
22. The applicant has requested that a TRQ review considers all commodity codes currently included in the scope of the category 12A TRQ. Specifically, it has requested in its application that all commodity codes "*for which there is no current viable domestic production capable of genuinely and sustainably supporting downstream UK metal manufacturers*" be removed from the scope of category 12A of the safeguard measure. These specific commodity codes are stated in the application of the CBM.
23. The commodity codes requested for review by the applicant are listed in **Annex 3**.

C3. Summary of facts considered

C3.1 HMRC data

24. To analyse trade flows in this TRQ review prior to initiation, we have used 8-digit trade data sourced from His Majesty's Revenue and Customs (HMRC).
25. The dataset used in this review is country of origin data for all imports. Country of origin data provides a more accurate picture of where imports are coming from than country of dispatch data. HMRC-published country of origin 8-digit bulk datasets can be accessed [here](#).

C3.2 Comments

26. Following initiation of this review, parties were provided with an opportunity to provide comments on the review. A further opportunity was provided following publication of the SIFD.
27. The non-confidential versions of the registration forms and submissions that are material to this review can be found on the [public file](#).
28. Following the publication of the SIFD, the TRA received comments from the following interested parties: SSUK,¹ 7 Steel.² These comments are summarised in the following section and the relevant sections of this final determination and recommendation have been amended to reflect these comments.

C3.2.1 SSUK

29. SSUK submitted comments concerning the SIFD on 19 February 2026. It has stated that *“there are certain factual inaccuracies in the draft findings document which appear to be from local press speculation without any evidence”* and has underpinned its comments with supporting evidence.
30. SSUK have stated that the Rotherham site which the CBM alleged in its application has been mothballed has continued operation and has continued to produce bar products, including goods captured by category 12A.
31. SSUK has stated, in response to the allegation from the CBM that the capability of SSUK to supply has progressively eroded due to its long-term furlough scheme, that *“a furlough*

¹ [SSUK comment to the SIFD](#), accessed 05/03/2026

² [7 Steel comment to the SIFD](#), accessed 05/03/2026

system is in place to support the workforce and maintain skill base during a period of reduced output. Furloughed workers are rotated to ensure that they continue to have days on plant and support manufacturing operations and maintain their skills". It has supported this statement with evidence in the form of internal communications between management and employees concerning furlough and employment.

32. The TRA has assessed the information submitted by SSUK and have determined that the Rotherham site remains in operation and has not been mothballed.
33. SSUK has provided invoices and production records from its Rotherham and Stocksbridge steel mills that it produced goods captured by the following commodity codes during and after the POI:
 - 7228 3069 00
 - 7228 3061 00
34. The TRA has reviewed the information provided by SSUK and has determined that this evidence demonstrates that goods that are within the definition of these commodity codes were made by SSUK in the UK during the POI. The TRA has amended the findings and conclusions in this final determination and recommendation to reflect this information.
35. SSUK have stated that it can also provide evidence of sales of commodity codes 7228 3020, 7228 3041, 7228 3070, and 7228 3089. However, it has not produced evidence that indicates that goods captured by these commodity codes were produced by SSUK during or after the POI. We have therefore determined that there is insufficient evidence to conclude that these commodity codes were produced by SSUK during the POI.
36. SSUK have also commented that *"quota utilisations have never exceeded 68%"* during the POI and has stated that this *"demonstrate[s] that the quotas have been ineffective as a trade defence as imports have grown from 58kt to 94kt and domestic production has declined. It would seem perverse to use this evidence of harm to UK manufacturers to weaken the trade defence measures further at this point"*. We have considered the level of utilisation in section E2.1, and we consider the comment provided by SSUK concerning quota utilisation is not sufficient for the TRA to determine whether the level of quota utilisation has caused significant harm to UK producers of category 12A.

C3.2.2 7 Steel

37. 7 Steel submitted comments concerning the SIFD on 23 February 2026. It has stated that *“our core concern is that varying the TRQ by removing six commodity codes from Category 12A will substantially increase the risk of misclassification, market distortion, and injury to UK producers of Category 12B goods, including 7-Steel UK, while offering no demonstrable benefit to domestic downstream users”*.
38. 7 Steel has provided additional evidence that during the POI it produced small quantities of goods that met the definition of the following category 12A commodity codes due to the presence of *“copper or other alloying elements present in each product”*:
- 7228 7010 00
 - 7228 3070 00
 - 7228 3069 00
39. The TRA has reviewed the information provided by 7 Steel and determined that it demonstrates that products captured by these commodity codes were made by 7 Steel during the POI. The TRA has amended the findings and conclusions in this final determination and recommendation to reflect this information.
40. 7 Steel has reiterated several statements that it raised when it registered to this review, specifically issues concerning misclassification, underutilisation of the category 12A quota, and threat to UK producers from imports of category 12A goods.
41. 7 Steel has stated that the misclassification issue for category 12A and 12B goods was underweighted in the SIFD for this review, and has stated that category 12A and 12B goods are *“exactly the same in all visible aspects (cross-section dimensions, lengths, surface characteristics)”*, that it has *“already seen [...] evidence that classification errors by HMRC rose precisely because alloy/non-alloy differences cannot be visually determined”*, and that *“removing most 12A codes from safeguards will worsen these issues”*. It has also stated that *“enforcement challenges are outcome-determinative. If misclassification increases—and all evidence indicates it will—UK producers of 12B will face serious injury”*.
42. 7 Steel has stated that quota utilisation rates for category 12A are low, and it alleges that this demonstrates *“no constraint on traditional trade flows, no inability for CBM members to source material, [and] no market failure requiring a change to the safeguard measure”*.

It has also stated that “*of particular concern is commodity 7228307000 [...] that has seen significant increase of imports in recent years*”, and this has been accompanied by import information which shows that imports of this commodity code increased significantly from approximately 4,000 tonnes annually in 2020 and 2021 to approximately 11,000 tonnes annually from 2022 to 2025.

43. 7 Steel has stated that its sales of category 12B goods “*would be displaced by misclassified imports if certain 12A codes are removed from the safeguard system*”. It states this is because “*many 12B supplies can easily be classified as alloys, particularly those with a copper content in excess of 0.40 [and] in codes 7228307000 and 7228306900*”. It has further stated that such an “*outcome risks undermining investment confidence at a time when stability and a level playing field are critical*”.
44. The TRA has considered these comments restating the position of 7 Steel, and our response to these comments has been reflected in section E2.1.

C3.3 Other

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

Section D: Change in circumstances

D1. Background

46. In conducting a TRQ review, the TRA must determine whether there has been a change in circumstances since the application of the relevant tariff rate quota (see regulation 35B(6)(b) of the Safeguard Regulations). Regulation 35B(9) of the Safeguard Regulations states a non-exhaustive list of what a change of circumstances may be. The NOI for this review states that this review will consider if there has been a change in circumstances with regard to:
- the impact of the tariff rate quota on traditional trade flows;
 - if UK production of certain goods like those covered by category 12A has ceased.
47. A summary of the change in circumstances that was found in this review is set out in the following section. Change due to the alleged impact of the TRQ on traditional trade flows has been addressed in Section D2.1 and change due to the alleged ceasing of production of certain goods is addressed in section D2.2.

D2. Assessment of change in circumstances

D2.1 Change due to the impact of the TRQ on traditional trade flows

48. The CBM has referenced that its members' import trading behaviour for category 12A products has been impacted by the tariff rate quota following its imposition in July 2018, particularly due to category 12 products being split into categories 12A and 12B in 2022 and changes to the application of the tariff rate quotas in July 2025. The CBM has stated that these changes in particular led to its members changing importing behaviour to reduce the risk of incurring the out-of-quota safeguard measure.
49. The case team has gathered data from HMRC and Global Trade Tracker (GTT) to substantiate whether there have been changes to trade flows of the product category 12A since the TRQ was applied. This compared the import flows from the year prior to the application of the TRQ measure, specifically from 1 July 2017 to 31 June 2018, to the most recent available annual period for import data (1 October 2024 to 30 September 2025).

Table 2: Category 12A products product import volume prior to the TRQ and during the POI

Country of origin (by volume in 2017/18)	June 2017 – July 2018 (import volume, metric tonnes)	POI [October 2024 – September 2025] (import volume, metric tonnes)	Difference (metric tonnes)	Percent change
Sweden	13,682.181	4,619.424	-9,062.757	-66.24%
Italy	7,957.116	5,510.974	-2,446.142	-30.74%
Finland	6,044.981	3,014.195	-3,030.786	-50.14%
Germany	5,798.465	1,870.320	-3,928.145	-67.74%
Czechia	4,789.316	851.343	-3,937.973	-82.22%
France	4,014.478	2,151.931	-1,862.547	-46.40%
Poland	4,013.055	9,953.277	5,940.222	148.02%
Spain	4,004.623	59,361.040	55,356.417	1382.31%
All other countries	7,858.057	6,676.995	-1,181.062	-15.03%
Total	58,162.272	94,009.499	35,847.227	61.63%

Source: HMRC UK Trade Info

50. This data shows that the trade flows of the product category have changed since 2017/18. Total import volume has massively increased, led by a significant increase in the quantity of goods imported from Spain and Poland, while imports from nearly all other sources have decreased significantly.
51. This impact on traditional trade flows satisfies the criteria for a change in circumstances in Category 12A as defined in regulation 35B(9)(e) of the Regulations.

D2.2 Changes in domestic supply of certain goods like those in scope of Category 12A

52. In its submission, the applicant stated that:

“UK production of the concerned products has dramatically reduced to the extent that there is no viable domestic supply to meet the requirements of CBM members’ production.”

53. The applicant’s arguments are primarily based around the status of SSUK, part of the Liberty Steel group. The application stated that in 2025 the SSUK steel mill in Rotherham ceased production of certain goods like those in scope of category 12A. The applicant also alleged that SSUK has placed conditions on the manufacture of certain goods, including those in scope of category 12A, which downstream users have stated are

unrealistic. The applicant has stated these are conditions such as minimum order amounts, advanced payment, and lack of clarity over lead times, complicating efforts to maintain domestic supply of category 12A products. The applicant links these changes to financial difficulties of SSUK.

54. The applicant has stated that SSUK has been subject to insolvency proceedings during 2025. It noted that evidence submitted as part of these proceedings indicates that SSUK's Rotherham facility is mothballed and most of its personnel are on long-term furlough. It stated that in August 2025 the High Court assessed that there was no realistic potential for either refinancing of SSUK or its purchase by a viable buyer. The Court granted a winding up order to Liberty group creditors with an Official Receiver being appointed to liquidate the company and determine what steps to take in management of its assets, including the Rotherham steel mill.
55. The applicant alleged that, in the absence of a viable buyer for the company, the Rotherham site is unlikely to restart production of category 12A like products before the safeguard measure is set to expire on 30 June 2026.
56. Several downstream importers such as Tinsley Bridge and Cooper & Turner have registered to the case and stated that they have attempted to procure category 12A products during the POI from SSUK and been unsuccessful. None of the interested parties registered to this review have reported being able to purchase category 12A goods from SSUK during the POI or in the period after the POI.
57. The TRA identified publicly available information that supported the applicant's allegation that production of category 12A goods at the SSUK Rotherham site has stopped. It identified parliamentary debates,³ articles from major news outlets,⁴ and public releases on the SSUK site⁵ that state SSUK has received a winding up order from insolvency courts and has been forced to liquidate. Certain sources have stated that no products have been produced at the Rotherham site since July 2024 and personnel have been put on furlough.

³ [Speciality Steel UK: Insolvency, Volume 772: debated on Tuesday 2 September 2025](#), accessed 09/02/2026

⁴ [UK's third-largest steelworks collapses into government control](#), BBC News; [UK court orders liquidation of Liberty Steel's specialty steelmaker SSUK](#), S&P Global, and [Liberty Steel has not produced anything at two key plants since July 2024](#), The Guardian, accessed 09/02/2026

⁵ [Update on Speciality Steel U.K. Situation](#), accessed 09/02/2026

58. SSUK registered as an interested party and has stated that “*Speciality Steel UK is a producer of the goods in scope of this review*”. In its registration it stated which commodity codes it is capable of producing and at which sites, but did not provide any evidence to support its statements. SSUK’s registration document also did not address the allegation in the application that the Rotherham site had been mothballed or that most of its personnel were on long-term furlough.
59. SSUK submitted comments in reference to the SIFD on 19 February 2026, which provided evidence that its Rotherham site is operational and that it has continued to produce bar products, including those captured by commodity codes in category 12A. It has provided invoices, production mill logs, and production data which supports these statements. The contents of this comment document are summarised in section C3.2.1 above.
60. The TRA considered the supporting evidence submitted in SSUK’s comment submission and has determined that it provides us sufficient assurance to determine that the SSUK site in Rotherham remains in operation and has not been mothballed.
61. SSUK did not provide comment on the allegation that “*UK production of the concerned products has dramatically reduced*” or the applicant’s allegation that the SSUK requirement of certain order conditions such as minimum order amounts or advanced payment deteriorated its ability to supply the downstream market. However, the applicant has not provided evidence which states how much the production of category 12A allegedly reduced by, or the extent to which the sales conditions of SSUK impacts the market for all category 12A products produced in the UK during the POI. We therefore do not consider the applicants statements, that production has reduced or that order conditions are restrictive, to be sufficient to demonstrate a change in supply of domestically produced goods like those subject to category 12A without further evidence.
62. As a result of the determination that the Rotherham site remains in operation, there is insufficient information indicating that there has been a change in the supply of domestically produced goods like those subject to the Category 12A TRQ. Therefore, we have determined that this does not constitute a change in circumstance as defined in regulation 35B(9) of the Safeguard Regulations.

Section E: Consideration of if the TRQ for category 12A should be maintained, varied or revoked

E1. Background

63. When this case initiated, parties were asked to comment on the request by the applicant to vary the safeguard measure by removing certain products from product category 12A. Parties were also invited to answer questions concerning the domestic production of category 12A goods, imports of the goods subject to review, whether directly competitive goods are produced in the UK, and the likelihood of serious injury if the safeguard measure was varied.
64. In its application, the CBM requests:
- A review of all commodity codes within the existing safeguard measure on category 12A goods, which are:
 - 7228 3020 00
 - 7228 3041 00
 - 7228 3061 00
 - 7228 3069 00
 - 7228 3070 00
 - 7228 3089 00
 - 7228 6020 00
 - 7228 7010 00
65. Several registered interested parties have provided submissions that oppose the applicant's requests to vary the safeguard measure. The interested parties SSUK and British Steel state that they have the capability to produce certain category 12A goods captured by the commodity codes listed above. SSUK has stated that "*Removal or reduction of safeguarding could see subsidised and excess steel being diverted to the UK*".
66. SSUK has also argued that the quota utilisation of category 12A is low, stating that "*at present this quota isn't being fully utilised*".

67. 7 Steel UK stated that they are not producers of category 12A grades, but that they do produce products which fall within category 12B. It has argued that there is a significant risk of misclassification of goods at the border because of the difficulty in distinguishing between alloy (category 12A) and non-alloy (category 12B) products, stating that *“The only difference is the metallurgical properties or chemistry of the products which can only be verified through laboratory testing (most commonly evidenced by test certificates).”* This allegedly increases the risk that category 12B goods are misclassified as category 12A products to access the historically less utilised category 12A TRQ.
68. 7 Steel have also stated that removing commodity codes from category 12A would mean *“imported goods will be falsely classified to avoid the quota system”* and that *“the sales prospects of former LSS assets will be damaged in the event of any change to the safeguard mechanism”*.
69. The TRA has therefore considered the following to determine whether it should recommend maintaining, varying or, if there is sufficient evidence that UK producers have ceased all production of category 12A goods, revoking the category 12A tariff rate quota:
- Whether like or directly competitive goods captured by the following commodity codes are produced in the UK:
 - 7228 3020 00
 - 7228 3041 00
 - 7228 3061 00
 - 7228 3069 00
 - 7228 3070 00
 - 7228 3089 00
 - 7228 6020 00
 - 7228 7010 00
 - Whether the removal of the measure on category 12A goods presents a risk of circumvention would increase the likelihood of serious injury to UK producers of category 12B goods through circumvention of the safeguard measure.

- Whether historic tariff rate quota usage indicates that the UK is unduly restricted from importing goods subject to review in sufficient quantity to meet the needs of the UK market.

E2. Consideration of parties' comments

E2.1 Removal of commodity codes from category 12A

70. The TRA has conducted a like and directly competitive goods assessment of all goods subject to the category 12A TRQ commodity codes, which are:
- 7228 3020 00
 - 7228 3041 00
 - 7228 3061 00
 - 7228 3069 00
 - 7228 3070 00
 - 7228 3089 00
 - 7228 6020 00
 - 7228 7010 00
71. This assessment identified that the following three UK producers registered interest to the review:
- British Steel
 - SSUK
 - 7 Steel
72. British Steel has stated in its registration documents that it produces or has the capacity to produce certain products in Category 12A. To support this claim, it submitted additional evidence in the form of invoices and extracts from its sales account records showing production of category 12A goods over the past four years (including 2026).
73. SSUK states that it is a producer of the goods within Category 12A. It has commented on its capacity to produce several commodity codes within category 12A in its registration.

74. The applicant stated that “*on 21st August 2025 the High Court assessed that there was no realistic potential for either the refinancing of LSS UK [i.e., SSUK] or its purchase by a viable buyer*”. The applicant has stated that “*LSS UK’s Rotherham mill had been mothballed, with production facilities deteriorating rapidly, and that most of the skilled workforce had been on long-term furlough*”. This indicates that SSUK may not have ongoing production of category 12A goods.
75. Several registered parties have stated that they have attempted to purchase category 12A products from SSUK, including Solid Swivel Ltd, Cooper & Turner, and Tinsley Bridge. All downstream users of category 12A goods registered to this review have stated that they were unsuccessful procuring any category 12A products from SSUK during the POI.
76. As stated in section D2.2, the TRA identified publicly available information that supported the applicant’s allegation that production of category 12A goods at the SSUK Rotherham site had stopped.
77. As stated in sections C3.2.1 and D2.2, we received evidence from SSUK in response to the SIFD confirming that its Rotherham site is operational and has continued producing goods like those imported goods subject to review classified under commodity codes 7228 3069 00 and 7228 3061 00.
78. 7 Steel stated in its registration that it is a producer of goods captured within category 12B.
79. 7 Steel have stated in its comment submission, in response to the SIFD, that it has conducted further analysis and identified that it “*manufactures a range of alloy-steel products that fall within 12A-classified commodity codes, with the specific classification dependent on the copper, or other alloying elements present in each product*”. Specifically, it has detailed that it produced small amounts of category 12A goods captured by the commodity codes 7228 7010, 7228 3070, and 7228 3069.
80. The TRA has determined that there is sufficient evidence that UK production of goods like those imported goods subject to review captured by the commodity codes 7228 3089, 7228 3061, 7228 3069, 7228 3070, and 7228 7010 has not ceased during or after the POI.

81. The submissions made by the applicant and 7 Steel highlight the similarities between goods subject to categories 12A and 12B. The TRA has therefore conducted further analysis to consider the physical and commercial similarities between category 12A and 12B goods.
82. Concerning physical likeness, the TRA notes several submissions from interested parties who state that there are sufficient physical differences between categories 12A and 12B goods that these products are not substitutable. For instance, Garton Ltd states that for its end use the “*specification of the grade 12A steel must conform to ISO 898.1 (2013), and alternatives are not acceptable*”, and Solid Swivel Ltd state that it requires grade U3 product and that “*category 12A material cannot be substituted as it technically specified by the customer*”.
83. The TRA has also considered the commercial likeness of category 12A and 12B products.
84. Submissions from the CBM and its members state that category 12A goods are used within performance-critical applications in sectors including aerospace, automotive, engineering, defence, and energy infrastructure. These applications require specific mechanical properties derived from alloy composition, as well as consistent quality and certification.
85. By contrast, the CBM states that category 12B goods are used in high-volume, less performance-critical applications, most notably in construction. Those goods do not provide the mechanical characteristics required for category 12A end uses and cannot be substituted without product redesign, requalification and customer approval. These statements are supported by other downstream users of category 12A products, such as Garton Ltd and Tinsley Bridge, who have stated that they require the material characteristics of category 12A products and could not substitute these goods for alternative goods falling under category 12B.
86. The TRA notes that the similarities between these goods could lead to misclassification of category 12A goods as category 12B goods, or vice versa. For instance, 7 Steel have stated that the category 12B goods it produces are “*in all visible aspects (cross section dimensions and lengths, surface aspects), are exactly the same as alloy merchant bars*”. The applicant has also stated that “*Category 12A is vulnerable to significant surges in quota claims, due to customs authorities recoding non-alloy steel [i.e., category 12B*

goods] to *Category 12A tariff codes*". This indicates that if the TRQ for category 12A was varied it would create a risk that importers could misclassify non-alloy merchant bars as alloy merchant bars and circumvent the safeguard measure as applied to category 12B steel products.

87. The TRA has acknowledged this risk and will continue to work closely with colleagues in HMRC and the Department for Business and Trade (DBT) to ensure that HMRC are aware of the risk of circumvention of the safeguard measure. We note that misclassification is unlawful and HMRC runs compliance checks of imported category 12A and 12B goods to identify instances of misclassification.
88. The TRA has concluded that there are certain unique physical and commercial specifications to which category 12A products must conform, and therefore category 12B products are not directly competitive goods. The submissions made by the UK industry do not contradict this conclusion.
89. The concern raised by interested parties, regarding the risk of misclassification of category 12B goods as category 12A goods at the UK border, is considered a challenge of enforcement rather than a matter of physical composition of the goods making them sufficiently alike, given the fundamental differences in material composition between the goods subject to these two product categories.
90. The TRA has also considered the quota utilisation of the category 12A TRQ during the POI, to assess whether the amount of quota is appropriate for domestic market conditions.

Table 3: Quota Utilisation rates of category 12A during POI

	Q2 (Oct 2024-Dec 2024)			Q3 (Jan 2025-Mar 2025)			Q4 (Apr 2025-June 2025)			Q1 (July 2025-Sep 2025)		
Country	Quota available (MT)	Quota used (MT)	Utilisation rate	Quota available (MT)	Quota used (MT)	Utilisation rate	Quota available (MT)	Quota used (MT)	Utilisation rate	Quota available (MT)	Quota used (MT)	Utilisation rate
EU	37,799	22,899	61%	42,941	29,370	68%	42,739	18,463	43%	29,517	12,763	43%
Residual	8,211	806	10%	11,553	750	6%	14,999	209	1%	4,246	548	13%
Total	46,010	23,704	52%	54,494	30,121	55%	57,737	18,672	32%	33,763	13,311	39%

91. Table 3 shows the quota utilisation rate. To calculate these values, we have used the UK Integrated Online Tariff system.

^{6,7} Quota availability is calculated from the available balance at the start of a quarter plus any unused balance carried forward from the previous quarter. Quota used is calculated by subtracting the balance remaining at the end of the quarter from the quota available.⁸ Finally, we calculate utilisation by presenting the quota used as a share of the quota available.

92. Across the POI, the utilisation rate of the EU quota ranged from 43% to 68%. The rate was highest in Q2 and then declined, remaining stable at around 43% in Q4 and Q1.

93. Utilisation rate for the residual quota was consistently low throughout the POI, ranging from 1% to 13%, and the residual quota was not exhausted in any quarter. The rate was lowest in Q4 but increased to 13% in the final quarter of the POI.

⁶ [UK Integrated Online Tariff quota tool](#), accessed 09/02/2026

⁷ In our analysis we identified some inconsistencies in the UKIOT data, we have addressed these with HMRC internal data.

⁸ Unused quota balances were no longer carried forward from June 2025 onwards, this only affects Q1 in the above table.

94. This data shows that at most only 55% of the total category 12A tariff rate quota per quarter was utilised during the POI and no part of the quota was fully utilised during the POI.
95. Both SSUK and 7 Steel have commented on the level of category 12A quota utilisation during the POI.
96. SSUK have stated that *“Import statistics quoted in the document show that quota utilisations have never exceeded 68%. Indeed, they demonstrate that the quotas have been ineffective as a trade defence as imports have grown from 58kt to 94kt and domestic production has declined. It would seem perverse to use this evidence of harm to UK manufacturers to weaken the trade defence measures further at this point”*.
97. 7 Steel has stated that the quota utilisation indicated that the evidence *“demonstrates no constraint on traditional trade flows, no inability for CBM members to source materials, no market failure requiring a change to the safeguard measures”*.
98. The TRA responds to these comments by noting that the CBM have stated in its application that *“the unpredictable imposition of a quota exhaustion tariff, for which immediate payment is demanded, can quickly become a business killer, especially when steel is a high proportion of input costs”* because *“the most immediate risk to the importing business [due to an out-of-quota measure] is cash rather than profitability”*, and that if the TRQ for category 12A was exhausted *“at best, downstream manufacturers would curtail output, starving critical supply chains. At worst, companies will activate plans to relocate production outside [the UK] and potentially deciding to close completely”*. The CBM has also stated that in 2022 *“for one member the tariff total was more £500,000, payment of which was required immediately, due to just in time commitments with its major customers. This represented an unsustainable impact on profitability and generated an immediate cash flow crisis. Ultimately the company had no choice but to close part of its operations, resulting in the loss of one hundred jobs”*. This demonstrates that the impact of incurring an out-of-quota duty can be highly significant and indicates that the risk of quota exhaustion alone is sufficient to deter imports of category 12A goods.
99. For these reasons, the TRA does not consider the fact that quotas have not been exhausted during the POI to be an indication that the TRQ has been ineffective, nor does

the lack of exhaustion indicate that import flows of category 12A goods have not been constrained.

100. We have concluded that the safeguard measure is appropriate to allow downstream users of category 12A products to purchase imports without a significant risk of incurring the out-of-quota safeguarding duty, and therefore the amount of tariff rate quota is appropriate for domestic market conditions.

Section F: Conclusion and recommendation

F1. Conclusion of this review

101. In accordance with regulation 35B(6)(b) of the Safeguard Regulations, the TRA considered whether there has been a change in circumstances, as defined in regulation 35B(9) of the Safeguard Regulations, since the application of the TRQ.
102. We found evidence of the TRQ impacting traditional trade flows of category 12A goods. We have therefore concluded that there has been a change in circumstance in accordance with regulation 35B(9)(e) of the Safeguard Regulations.
103. After receiving additional information from SSUK during the SIFD comment stage of the review, we have determined there is insufficient information indicating that there has been an additional change of circumstance due to the alleged mothballing of SSUK's Rotherham site. The evidence that the Rotherham site is operational is detailed in section C3.2.1 and D2.2.
104. We have determined that there has been a change in circumstances since the application of the tariff rate quota, in accordance with regulation 35B(6)(b) of the Safeguard Regulations.
105. In accordance with regulation 35B(6)(c)(i) of the Safeguard Regulations, we decided to further consider whether the TRQ is appropriate for the domestic market conditions. We concluded that the amount of quota is appropriate for domestic market conditions, as the quota allows downstream users of category 12A products to import category 12A products without significant risk of incurring the out-of-quota safeguarding duty.
106. In accordance with regulation 35B(6)(c)(iii) of the Safeguard Regulations, the TRA exercised its discretion to consider other factors it considered relevant. Specifically, we considered whether the allocation of the tariff rate quota is suitable and whether it should be reallocated so as to remove any commodity codes from the safeguarding measure for category 12A for which there is no current viable domestic production capable of genuinely and sustainably supporting downstream UK metal manufacturers.
107. The TRA has concluded that it has sufficient evidence of UK production of category 12A goods as defined by the following commodity codes:
 - 7228 3089 00

- 7228 3061 00
 - 7228 3069 00
 - 7228 3070 00
 - 7228 7010 00
108. Based on this, we have concluded that there is sufficient evidence that UK producers have not ceased production of all category 12A goods so we cannot recommend revocation of the TRQ for category 12A, and that these five commodity codes should be maintained in category 12A.
109. We have found no evidence indicating that the following commodity codes in category 12A were produced during or after the POI:
- 7228 3041 00
 - 7228 3020 00
 - 7228 6020 00
110. We have concluded that there is sufficient evidence that production of UK goods like those goods subject to review falling under these three commodity codes ceased during the POI.
111. No party has presented evidence that any category 12A goods produced in the UK are directly competitive with the imports of any of the three commodity codes in category 12A that were not produced in the UK during the POI.

F2. Final determination and recommendation

112. For the reasons set out already in this document, and pursuant to regulations 35B(7)(b) and 37(1) of the Safeguard Regulations, the TRA's final determination and recommendation to the Secretary of State is to vary the tariff rate quota to remove commodity codes of goods like those subject to review that we concluded ceased production during the POI.
113. Paragraph 21(9) of Schedule 5 to the Taxation (Cross-border Trade) Act 2018 (the Act) lists the forms a variation of a TRQ that the TRA may recommend to the Secretary of State. We recommend varying of the allocation of the quota such that it applies only to imports of category 12A goods for which there is equivalent UK production during and

after the POI, in accordance with paragraph 21(9)(b) of Schedule 5 to the Act. In particular, we recommend the following:

(i) the measure should be varied to no longer allocate imports of the following commodity codes to the TRQ for category 12A:

- 7228 3041 00
- 7228 3020 00
- 7228 6020 00

(ii) the safeguard measure should be varied to only allocate imports of the following commodity codes to the TRQ for category 12A:

- 7228 3089 00
- 7228 7010 00
- 7228 3061 00
- 7228 3069 00
- 7228 3070 00

Annex 1: FTA partners with a current safeguard exception

Agreement	Multilateral safeguard exception
UK-CARIFORUM EPA (Antigua and Barbuda, Barbados, Belize, the Bahamas ⁹ , Dominica, The Dominican Republic, Grenada, Guyana, Jamaica, Saint Christopher (Kitts) and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Suriname, and Trinidad and Tobago)	Active
SACUM-UK EPA.	Active

⁹ Not on the WTO Developing Country list

Annex 2: Developing country members of the WTO¹⁰

Afghanistan, Albania, Angola, Antigua and Barbuda, Argentina, Armenia, Bahrain, Bangladesh, Barbados, Belize, Benin, Bolivia, Botswana, Brazil, Brunei Darussalam, Burkina Faso, Burundi, Cabo Verde, Cambodia, Cameroon, Central African Republic, Chad, Chile, Colombia, Comoros, Congo, Costa Rica, Côte d'Ivoire, Cuba, Democratic Republic of the Congo, Djibouti, Dominica, Dominican Republic, Ecuador, Egypt, El Salvador, Eswatini, Fiji, Gabon, Gambia, Georgia, Ghana, Grenada, Guatemala, Guinea, Guinea-Bissau, Guyana, Haiti, Honduras, Hong Kong, India, Indonesia, Jamaica, Jordan, Kazakhstan, Kenya, Kuwait, Kyrgyz Republic, Lao People's Democratic Republic, Lesotho, Liberia, Macao, Madagascar, Malawi, Malaysia, Maldives, Mali, Mauritania, Mauritius, Mexico, Moldova, Mongolia, Montenegro, Morocco, Mozambique, Myanmar, Namibia, Nepal, Nicaragua, Niger, Nigeria, North Macedonia, Oman, Pakistan, Panama, Papua New Guinea, Paraguay, Peru, Philippines, PRC,¹¹ Qatar, Rwanda, Saint Christopher (Kitts) and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Samoa, Saudi Arabia, Senegal, Seychelles, Sierra Leone, Solomon Islands, South Africa, Sri Lanka, Suriname, Tajikistan, Tanzania, Thailand, Togo, Tonga, Trinidad and Tobago, Tunisia, Türkiye, Uganda, Ukraine, UAE, Uruguay, Vanuatu, Venezuela, Vietnam, Yemen, Zambia, Zimbabwe.

¹⁰ Some of the below countries have been excluded from the calculation because of the FTA/EPA agreements listed in Annex 1

¹¹ Please note that [the PRC has announced in September 2025](#) that “as a responsible major developing country, China will not seek new special and differential treatment in the current and future WTO negotiations.” It has not affected the status of the PRC as a developing country member in the WTO.

Annex 3: Commodity codes requested for review in the application

Product Number	Product Category	Commodity Codes
12A	Alloy merchant bars and light sections	7228 3020 00 7228 3041 00 7228 3061 00 7228 3069 00 7228 3070 00 7228 3089 00 7228 6020 00 7228 7010 00

Annex 4: Recommended list of varied commodity codes for TRQ allocation of category 12A

Product Number	Product Category	Commodity Codes
12A	Alloy merchant bars and light sections	7228 3061 00 7228 3069 00 7228 3070 00 7228 3089 00 7228 7010 00

Annex 5: Tariff Rate Quotas of categories 12A and 12B

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

[Trade remedies notice 2025/12: safeguard measure: tariff-rate quota on steel goods](#)

Product category	Country	01/07/2025 to 30/09/2025	01/10/2025 to 31/12/2025	01/01/2026 to 31/03/2026	01/04/2026 to 30/06/2026
12A	EU	29,517	29,517	28,876	29,197
	Residual	4,246	4,246	4,153	4,200
	Total	33,763	33,763	33,029	33,397
12B	EU	35,458	35,458	34,688	35,073
	Türkiye	13,346	13,346	13,056	13,201
	Residual	7,585	7,585	7,419	7,501
	Total	56,389	56,389	55,163	55,775