



Safeguard questionnaire¹

Safeguard measure on certain steel products

Case: TF0006

Period of Investigation (POI):	01 January 2013 – 31 December 2017
Most Recent Period (MRP):	01 January 2018 – 30 June 2020
Deadline for response:	21 November 2020
Case Team Contact:	Imogen Yapp, Lead Investigator, TF0006@traderemedies.gov.uk
Completed on behalf of:	The Government of Brazil
Party type (<u>select</u>):	<div><input type="checkbox"/> Contributor <input checked="" type="checkbox"/> Government of relevant foreign country or territory (<i>Interested Party</i>) <input type="checkbox"/> Trade or business association representing overseas exporters or UK importers of the good(s) subject to review (<i>Interested Party</i>) <input type="checkbox"/> Trade or business association representing UK producers of like goods or directly competitive goods (<i>Interested Party</i>)</div>

¹ Excluding the following interested parties: Overseas exporters or UK importers of the good(s) subject to review and UK producers of the like good(s) or directly competitive good(s). These interested parties will complete questionnaires tailored to their specific party status.



When you have completed this form, indicate the **confidentiality status** of this document by placing an X in the relevant box below:

- ☐ Confidential
x Non-Confidential – will be made publicly available

Please note that you will have to provide **two copies of your response** - a **Confidential** and a **Non-Confidential version**. Both copies should be returned to TRID using the Trade Remedies Service (www.trade-remedies.service.gov.uk).



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The scope of this review

Goods subject to review

The goods subject to review in this transition review are detailed in the following table²:

Product category number	Product category	Commodity codes
1	Non-Alloy and Other Alloy Hot Rolled Sheets and Strips	7208 10 00, 7208 25 00, 7208 26 00, 7208 27 00, 7208 36 00, 7208 37 00, 7208 38 00, 7208 39 00, 7208 40 00, 7208 52 10, 7208 52 99, 7208 53 10, 7208 53 90, 7208 54 00, 7211 13 00, 7211 14 00, 7211 19 00, 7212 60 00, 7225 19 10, 7225 30 10, 7225 30 30, 7225 30 90, 7225 40 15, 7225 40 90, 7226 19 10, 7226 91 20, 7226 91 91, 7226 91 99
2	Non-Alloy and Other Alloy Cold Rolled Sheets	7209 15 00, 7209 16 90, 7209 17 90, 7209 18 91, 7209 25 00, 7209 26 90, 7209 27 90, 7209 28 90, 7209 90 20, 7209 90 80, 7211 23 20, 7211 23 30, 7211 23 80, 7211 29 00, 7211 90 20, 7211 90 80, 7225 50 20, 7225 50 80, 7226 20 00, 7226 92 00
4A	Metallic Coated Sheets	TARIC Codes: 7210 41 00 20, 7210 49 00 20, 7210 61 00 20, 7210 69 00 20, 7212 30 00 20, 7212 50 61 20, 7212 50 69 20, 7225 92 00 20, 7225 99 00 11, 7225 99 00 22, 7225 99 00 45, 7225 99 00 91, 7225 99 00 92, 7226 99 30 10, 7226 99 70 11, 7226 99 70 91, 7226 99 70 94
4B	Metallic Coated Sheets	CN Codes: 7210 20 00, 7210 30 00, 7210 90 80, 7212 20 00, 7212 50 20, 7212 50 30, 7212 50 40, 7212 50 90, 7225 91 00, 7226 99 10 TARIC codes: 7210 41 00 30, 7210 41 00 80, 7210 49 00 30, 7210 49 00 80, 7210 61 00 30, 7210 61 00 80, 7210 69 00 30, 7210 69 00 80, 7212 30 00 80, 7212 50 61 30, 7212 50 61 80, 7212 50 69 30, 7212 50 69 80, 7225 92 00 80, 7225 99 00 23, 7225 99 00 41, 7225 99 00 93, 7225 99 00 95, 7226 99 30 90, 7226 99 70 19, 7226 99 70 96
5	Organic Coated Sheets	7210 70 80, 7212 40 80
6	Tin Mill products	7209 18 99, 7210 11 00, 7210 12 20, 7210 12 80, 7210 50 00, 7210 70 10, 7210 90 40, 7212 10 10, 7212 10 90, 7212 40 20
7	Non-Alloy and Other Alloy Quarto Plates	7208 51 20, 7208 51 91, 7208 51 98, 7208 52 91, 7208 90 20, 7208 90 80, 7210 90 30, 7225 40 12, 7225 40 40, 7225 40 60
12	Non-Alloy and Other Alloy Merchant Bars and Light Sections	7214 30 00, 7214 91 10, 7214 91 90, 7214 99 31, 7214 99 39, 7214 99 50, 7214 99 71, 7214 99 79, 7214 99 95, 7215 90 00, 7216 10 00, 7216 21 00, 7216 22 00, 7216 40 10, 7216 40 90, 7216 50 10, 7216 50 91, 7216 50 99, 7216 99 00, 7228 10 20, 7228 20 10, 7228 20 91, 7228 30 20, 7228 30 41, 7228 30 49, 7228 30 61, 7228 30 69, 7228 30 70, 7228 30 89, 7228 60 20, 7228 60 80, 7228 70 10, 7228 70 90, 7228 80 00
13	Rebars	7214 20 00, 7214 99 10

² Please note that the list uses the same category numbers and category names as EU Regulation 2019/159 for those goods subject to review within this Transition Review. Product categories 3, 8, 9, 10, 18, 22, and 24, will not be transitioned and are therefore excluded from the list.



14	Stainless Bars and Light Sections	7222 11 11, 7222 11 19, 7222 11 81, 7222 11 89, 7222 19 10, 7222 19 90, 7222 20 11, 7222 20 19, 7222 20 21, 7222 20 29, 7222 20 31, 7222 20 39, 7222 20 81, 7222 20 89, 7222 30 51, 7222 30 91, 7222 30 97, 7222 40 10, 7222 40 50, 7222 40 90
15	Stainless Wire Rod	7221 00 10, 7221 00 90
16	Non-Alloy and Other Alloy Wire Rod	7213 10 00, 7213 20 00, 7213 91 10, 7213 91 20, 7213 91 41, 7213 91 49, 7213 91 70, 7213 91 90, 7213 99 10, 7213 99 90, 7227 10 00, 7227 20 00, 7227 90 10, 7227 90 50, 7227 90 95
17	Angles, Shapes and Sections of Iron or Non-Alloy Steel	7216 31 10, 7216 31 90, 7216 32 11, 7216 32 19, 7216 32 91, 7216 32 99, 7216 33 10, 7216 33 90
19	Railway Material	7302 10 22, 7302 10 28, 7302 10 40, 7302 10 50, 7302 40 00
20	Gas pipes	7306 30 41, 7306 30 49, 7306 30 72, 7306 30 77
21	Hollow sections	7306 61 10, 7306 61 92, 7306 61 99
25.A	Large welded tubes	7305 11 00, 7305 12 00
25.B	Large welded tubes	7305 19 00, 7305 20 00, 7305 31 00, 7305 39 00, 7305 90 00
26	Other Welded Pipes	7306 11 10, 7306 11 90, 7306 19 10, 7306 19 90, 7306 21 00, 7306 29 00, 7306 30 11, 7306 30 19, 7306 30 80, 7306 40 20, 7306 40 80, 7306 50 20, 7306 50 80, 7306 69 10, 7306 69 90, 7306 90 00
27	Non-alloy and other alloy cold finished bars	7215 10 00, 7215 50 11, 7215 50 19, 7215 50 80, 7228 10 90, 7228 20 99, 7228 50 20, 7228 50 40, 7228 50 61, 7228 50 69, 7228 50 80
28	Non-Alloy Wire	7217 10 10, 7217 10 31, 7217 10 39, 7217 10 50, 7217 10 90, 7217 20 10, 7217 20 30, 7217 20 50, 7217 20 90, 7217 30 41, 7217 30 49, 7217 30 50, 7217 30 90, 7217 90 20, 7217 90 50, 7217 90 90

Any reference to the goods subject to review refers to the product categories and CN codes covered in the table above.

Please refer to the Notice of Initiation on the case file for the countries that are exempt from the existing safeguard measure.

Like goods

Any reference to ‘**like goods**’ in this questionnaire refers to goods produced in the UK which are like the goods subject to review in all respects, or with characteristics closely resembling them.

Directly competitive goods

‘**Directly competitive goods**’ are goods produced in the UK which are directly competitive with the goods subject to review.



This can include goods that are not only similar to the goods subject to review, such as a different type or variety, but also include goods that occupy a position of direct competition with the goods subject to review. A directly competitive good may be one that is substitutable with the goods subject to review.



Instructions

Introduction

The Trade Remedies Investigations Directorate (TRID) of the UK's Department for International Trade will be carrying out a transition review of each trade remedy measure active under the EU system that the UK has decided to maintain after EU exit. This transition review will consider whether the existing safeguard measure is necessary to address the increase in imports and whether there would be injury to the UK industry if the measure was removed. The transition review will also consider whether the existing safeguard measure should be extended.

We are seeking your cooperation as a contributor/an interested party to inform our review of whether the existing safeguard measure should be maintained, varied, discontinued and/or extended. The information your company provides will help us to determine a fair and appropriate response.

As specified on the front page of this questionnaire, the POI covers the same period as the EU steel safeguards case (January 2013 – December 2017). The data requested in this questionnaire for the POI will be used to make a recommendation on whether the existing safeguard measure should be transitioned. The MRP covers the period following the POI (January 2018 – June 2020). The data requested in this questionnaire for the MRP will be used to make a recommendation on whether the existing safeguard measure should be reduced or extended.

For further information please refer to our guidance on [How we carry out transition reviews into EU measures](#).

Please refer to our online guidance on the differences between interested parties and contributors: <https://www.gov.uk/government/publications/the-uk-trade-remedies-investigations-process/an-introduction-to-our-investigations-process#interested-parties-and-contributors>.

Please provide all the information requested by **21 November 2020**. We may send a notice asking for clarification or supplementary information where necessary. Make sure you provide the sources for any information or data you don't own and clearly state any restrictions on sharing it.

Please note that if you do not provide a confidential version and a non-confidential summary (or a statement of reasons why you cannot provide this), TRID may disregard the information you give us. The following section provides further information on what you need to do.

If you are unable to complete the questionnaire within the required time, please contact the case team ahead of the deadline using the contact details on the cover of this questionnaire. You should outline the length of extension required and the reasons why. **Due to the restricted timeframe of this transition review, the case**



team's ability to grant extensions is very limited. We will notify you of our decision. If we are able to accommodate an extension, a note to explain this will be placed on the public file.

Please also contact the case team if you have any questions about your response or if you have any difficulties in completing the questionnaire. For general information about trade remedies processes, please visit the following website:

www.gov.uk/government/publications/the-uk-trade-remedies-investigations-process.

TRID investigates cases under the specific provisions in Part 9 of *The Trade Remedies (Increase in Imports Causing Serious Injury to UK Producers) (EU Exit) Regulations 2019* as amended by the *Trade Remedies (Amendment) (EU Exit) Regulations 2019* and under the *Taxation (Cross-border Trade) Act 2018*.

Preparing confidential and non-confidential copies

You will need to submit one confidential version and one non-confidential version of your questionnaire by the deadline. **Please ensure that each page of information you provide is clearly marked either “Confidential” or “Non-Confidential” in the header.** It is your responsibility to ensure that the non-confidential version does not contain any confidential information.

Further information on what can be considered confidential and how to prepare a non-confidential version of this questionnaire can be found in our guidance on [how we handle confidential information](#).

All information provided to TRID in confidence will be treated accordingly and only used for this investigation (except in limited circumstance as permitted by regulation 17 of the *Trade Remedies (Increase in Imports Causing Serious Injury to UK Producers) (EU Exit) Regulations 2019*) and kept in protected systems. The non-confidential version of your submission will be placed on our public file, which is available on www.trade-remedies.service.gov.uk/public/cases.

What happens next

Please upload your completed questionnaire responses and non-confidential versions of documents to our Trade Remedies Service at www.trade-remedies.service.gov.uk. You will receive an email confirming the documents have been uploaded successfully. Non-confidential responses will be placed on the public file and the case team will contact you if we need further information.

Once we have completed our investigation, we will publish our recommendation to the Secretary of State. Our final report will be published on our public file.

Further information on this process is available at:



Department for
International Trade

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www.gov.uk/government/publications/the-uk-trade-remedies-investigations-process/an-introduction-to-our-investigations-process#determinations-and-conclusion-of-investigations



How to complete this questionnaire

Please read and follow all the instructions carefully. You are required to substantiate all claims with relevant data and information. You may be asked to attach supporting documents in appendices to supplement your responses. Provide all formulas and steps used in your calculations and keep a record of these.

Please note the following points:

- Do not leave any questions blank. If the question is not relevant to your organisation, please explain why.
- If the answer to the question is “zero”, “no”, “none” or “not applicable”, please write this rather than leaving the answer blank.
- If there is insufficient space in any part of the questionnaire to provide the details requested, please attach appendices. Please ensure that any attachments are given a corresponding appendix reference in the title of the document and that these are referenced in the boxes provided.
- Any documents not in English should be accompanied by an English translation.
- Please provide all dates in the format DD/MM/YYYY (e.g. 23/05/2019).
- For all numerical figures, where appropriate please express every third digit with a comma (e.g. ‘1,300’ for one-thousand three hundred, ‘1,300,000’ for one million and three hundred thousand).
- Limit all sales/currency/income figures to two decimal places and use the appropriate currency symbol (e.g. £1,300.00).
- Provide all costing figures as actual amounts. Where actual amounts cannot be provided and you have reported standard costing instead, indicate this in the relevant answer and explain the variance from actual costs, if any.
- All financial figures should be reported net of tax unless otherwise stated.



SECTION A: About the case

A1 General information

1. Please complete the table below. Make sure the point of contact you name has the authority to provide this information.

Name (point of contact):	Embassy of Brazil to the UK
Address:	14-16 Cockspur Street, London, SW1Y5BL
Telephone No:	07429403839
Email:	economic.london@itamaraty.gov.br
Website:	

2. If you are representing an organisation, please also fill in the information below:

Company registration number:	Not applicable
Place of registration:	Not applicable
Legal name of organisation:	Not applicable
Legal structure (e.g. limited company, sole trader, partnership etc):	Not applicable
Position in the organisation:	Not applicable
Year of establishment:	Not applicable
Other operating names:	Not applicable

A2 Information about this review

This transition review will consider whether the existing safeguard measure is necessary or sufficient to address the increase in imports and whether there would be injury to the UK industry if the measure were removed and/or not extended. For each question, please provide any information you have which you feel is relevant to the case. If you have no information, please say so in your answer.

Please substantiate your answers with evidence. Any attachments should be given a corresponding appendix reference in the title of the document and referenced in the boxes provided.

1. Please provide any **information about the like or directly competitive goods and the goods subject to review** that you consider relevant.

The Government of Brazil, so far, has no comments on this subject. It reserves its right to present its views about the matter in the future.



Appendix reference: Not applicable

2. Please comment on the **scope of the review**. If you consider that any product categories and/or custom codes should be added or removed, please explain the reasons why. Provide information about the UK production, UK demand and UK imports for these product categories and/or custom codes. Substantiate with evidence.

The Government of Brazil, so far, has no comments on this subject. It reserves its right to present its views about the matter in the future.

Appendix reference: Not applicable.

3. Please provide any information regarding the **surge in imports** of the goods subject to review **during the POI**.

The Government of Brazil understands that the present safeguard corresponds to that of the European Union (EU), imposed by the Commission Implementing Regulation (EU) 2019/159 of 31/01/2019 (Appendix 1), and amended by Commission Implementing Regulation (EU) 2019/1590 of 26/09/2019, Commission Implementing Regulation (EU) 2020/35 of 15/01/2020 and Commission Implementing Regulation (EU) 2020/894 of 29/06/2020, as stated by the United Kingdom both in this questionnaire and in the Notice of initiation - transition review no.TF 0006 (Appendix 2).

The Government of Brazil noted that neither in the Notice of initiation - transition review no.TF 0006 nor in any document included in the cases' public file so far (available at <https://www.trade-remedies.service.gov.uk/public/case/TF0006/>) is there any information on the alleged surge in imports.

Brazil recalls that Article XIX of the GATT /1994 requires that the alleged surge in imports be the result of unforeseen developments and of the effect of the obligations incurred by the importing Member under that Agreement.

Brazil has stated, in several occasions, that the European Commission (EC) failed in accomplishing its obligation to prove that the supposed surge resulted from those elements.

The Commission Implementing Regulation (EU) 2019/159 of 31/01/2019 alleged that (paragraph 52) the global steel overcapacity was an unforeseen development in the sense of Article XIX. Brazil disagrees. As the Global Forum on Steel Excess Capacity (GFSEC) of the G-20 stated in its 30/11/2017 Report (paragraph 116) (Appendix 3), global steel overcapacity has been a global problem since the 70's.



Furthermore, that Regulation affirmed, in its paragraph 56, that the alleged increase in the use of trade remedies measures by the WTO Members targeted on steel products was also an unforeseen development.

The use of the trade remedies complying to certain criteria is contemplated by multilateral trading rules since 1947, when GATT was first signed. Furthermore, the Trade Remedies Agreements are part of WTO's single-understanding since 1995. It is reasonable to expect that any Member might eventually make use of trade remedies to any good under its schedule of concessions if the duly conditions are fulfilled. The use of trade remedies in accordance with multilateral rules agreed by WTO members was certainly foreseeable by the time multilateral trade concessions on goods were negotiated.

Finally, Brazil recalls that, in that same document, paragraphs 58 and 59, the EC framed the United States' measures on steel imports under Section 232 of the Trade Expansion Act of that country as unforeseen developments. It is impossible that those measures, imposed on March 2018, could have caused a surge in imports in the period of investigation (2013-2017).

The EU initiated the safeguard investigation that resulted in the present measure on the basis of the possibility that Section 232 measures would lead to an eventual trade diversion of the goods subject to investigation into the EU market, which would cause an increase in imports (point 2, second paragraph of the document Notice of initiation of a safeguard investigation concerning imports of steel products (2018/C 111/10) (Appendix 4)).

Article 2 of the WTO Agreement on Safeguards (AS) clearly determines that the product subject to the investigation must be "being imported (...) in such increased quantities (...)". The surge of imports, therefore, must be actual, not a hypothesis. In this sense, the very basis of the EU's investigation is flawed.

Having presented all these arguments on the alleged increase in imports, the Government of Brazil kindly calls the UK's attention to the fact that there are important inconsistencies, in the current measure, in relation to the WTO rules regarding safeguards. Brazil believes, therefore, that the measure should be immediately terminated in the UK.

Appendix reference:

Commission Implementing Regulation (EU) 2019/159 of 31/01/2019 - Appendix 1;

Notice of initiation - transition review no.TF 0006 - Appendix 2;

30/11/2017 GFSEC's Report - Appendix 3;



Notice of initiation of a safeguard investigation concerning imports of steel products (2018/C 111/10) - Appendix 4.

4. Please provide any information regarding **imports** of the goods subject to review **during the MRP**.

The Government of Brazil, so far, has no comments on this subject. It reserves its right to present its views about the matter in the future.

Appendix reference: Not applicable.

5. Provide any information that could help us assess the **likelihood of an increase in imports** occurring if the existing safeguard measure for the goods subject to review were:

- i) continued; or
- ii) discontinued.

Provide evidence to support your conclusions.

The Government of Brazil, so far, has no comments on this subject. It reserves its right to present its views about the matter in the future.

Appendix reference: Not applicable.

6. Please provide any information regarding the **serious injury** to UK producers of the like or directly competitive goods **caused by the surge in imports** of the goods subject to review **during the POI**. You can refer to our [guidance on how we assess injury](#) for a definition of serious injury.

The Government of Brazil, so far, has no comments on this subject. It reserves its right to present its views about the matter in the future.

Appendix reference: Not applicable.

7. Please provide any information regarding the **serious injury** to UK producers of the like or directly competitive goods **during the MRP**.

The Government of Brazil, so far, has no comments on this subject. It reserves its right to present its views about the matter in the future.

Appendix reference: Not applicable.



8. Please provide any information regarding the **likelihood of serious injury** to UK producers of the like or directly competitive goods if the existing safeguard measure for the goods subject to review were:

- i) continued; or
- ii) discontinued.

Provide evidence to support your conclusions including what the cause of this injury would be.

The Government of Brazil, so far, has no comments on this subject. It reserves its right to present its views about the matter in the future.

Appendix reference: Not applicable.

9. Provide any information you have on **other cause(s) of serious injury for the POI and MRP** to UK producers of the like or directly competitive goods. Clearly distinguish between the POI and MRP in your answer.

The Government of Brazil, so far, has no comments on this subject. It reserves its right to present its views about the matter in the future.

Appendix reference: Not Applicable.

10. Please provide any information about the possible **economic effects** on the UK if the existing safeguard measure on the goods subject to review were:

- i) continued; or
- ii) discontinued.

This information will be used to assess whether the existing safeguard measure is in the economic interest of the UK as part of the economic interest test.

Provide evidence to support your conclusions.

The Government of Brazil, so far, has no comments on this subject. It reserves its right to present its views about the matter in the future.

Appendix reference: Not applicable.

11. If you have **any other information** which may help us with this review, please provide it below.

Brazil thanks the Government of the UK for having complied with its obligation to exempt the country from the safeguard measures in 17 categories, due to the fact that the Brazilian export volume under these categories was “de minimis”, within the meaning of Article 9.1 of the AS.

The Government of Brazil notes, however, that its exports volume under the categories in which it is subject to the measure (2 and 7) was also “de minimis”, be it



during the period of investigation (2013–2017), be it during the whole period 2013–2019 – unfortunately, Brazil was unable to access official European or British data for the period of January-June 2020.

According to both Eurostat and HMRC’s data, the volume of Brazilian exports under category 2 represented 2,3% and 0,6% of total British imports, during the periods of 2013-2019 and of 2013-2017, respectively. For category 7, these numbers are, respectively, 1,5% and 0,8% (see Appendix 5).

Having stated, in the present questionnaire (page 4), that “the data requested in this questionnaire for the POI will be used to make a recommendation on whether the existing safeguard measure should be transitioned”, the Government of the UK is bound to not to transition the measure for Brazil under any of the 19 categories, since the Brazilian exports under all these categories were, in terms of volume, “de minimis” during that very period.

The present questionnaire (page 4) states that “the transition review will also consider whether the existing safeguard measure should be extended”. In this regard, Brazil recalls that the measure under review is expected to expire on 30/06/2021 (paragraph 187 of the document provided in Appendix 1). Since the UK’ measure is the same as the European, an eventual maintenance of the safeguard in the UK shall last only until that date, without any extension.

If, however, the UK decides to extend the measure, Brazil recalls the need to do it in accordance with the AS, particularly regarding the obligation, set forth in Article 7.2, to determine, in conformity with the procedures set out in Articles 2, 3, 4 and 5 of that Agreement, that the safeguard continues to be necessary to prevent or remedy serious injury and that there is evidence that the British industry is adjusting.

Brazil also recalls that any extension of this safeguard measure beyond 30/06/2020 will be bound by the rights and obligations contained in Article 8 of the AS concerning adequate trade compensation and/or suspension of substantially equivalent concessions or other obligations under GATT 1994.

Appendix reference:

Commission Implementing Regulation (EU) 2019/159 of 31/01/2019 - Appendix 1;

Table of UK imports under categories 2 and 7 (total and disaggregated by Brazilian origin) – Appendix 5.



SECTION B: Next steps and declaration

Next steps



Once you have completed all parts of the questionnaire, the declaration below should be signed by an authorised signatory.

The questionnaire should be submitted through the Trade Remedies Service (www.trade-remedies.service.gov.uk) by **21 November 2020**.

A confidential and non-confidential version of the questionnaire must be submitted. You can find guidance on how to complete confidential and non-confidential versions at <https://www.gov.uk/government/publications/the-uk-trade-remedies-investigations-process/an-introduction-to-our-investigations-process#how-we-handle-confidential-information>.

Declaration

By signing this declaration, you agree that all information supplied in this questionnaire is complete and correct to the best of your knowledge and belief and that you understand that the information you submit may be subject to verification by TRID.

Company name (if applicable): Not applicable

Company registration number (if applicable): Not applicable

20/11/2020

Date

Signature of authorised signatory

Company stamp (if applicable)

Name and title of authorised
signatory