

Trade Remedies Authority  
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To Whom it May Concern

**Tariff Rate Quota Review – Developing Country Exception, Case No. TQ0066**  
**Category 7, Quarto Plates**

Liberty Steel Dalzell Ltd (LSD), one of only two remaining UK producers of reversing mill steel plate (Category 7 Quarto Plates), concur with the Trade Remedy Authority's (TRA) proposition that there has been a change in circumstances; imports of commodity steel plate are rapidly increasing.

The TRQ review has posed three questions; namely:

1. Whether the amount or allocation of the tariff rate quota is appropriate for domestic market conditions;
2. The desirability of maintaining, as far as possible, traditional trade flows;
3. Any other factors that it considers relevant.

**Current Tariff Rate Quota**

The total tariff for Category 7, Quarto Plates including estimated carry-over is currently 186 kilotonnes (kt). LSD would argue that given the quota has been consistently under-utilised since its last review, it does not provide any adequate protection to safeguard domestic production.

Consistently over the previous three years, only 45% of the quota has been utilised which confirms that the original quota was set at a disproportionately high level and failed to offer any defence.

As a result of the continued under-utilisation of the quota, the incorporation of the carry-over to the quota has seen the total quota rise from 129 kt in 23, to 140 kt in 24, to 171 kt in 25 and now sits at 186 kt; a very significant increase of 44%.

Logically, LSD would argue that as low domestic demand for steel plate that has not recovered yet to pre-covid levels, a tightening of safeguards would be required rather than the relaxation that has occurred.

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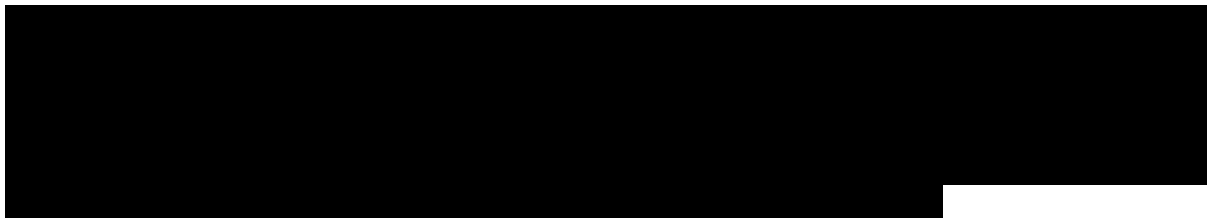


We would also suggest that given a total UK consumption of approximately 450 kt of steel plate (LSD's own calculations), that a quota that now sits at 186 kt (or 41% of the total market) is unsustainably high whilst there are two domestic producers with excess production capacity to more than satisfy the total domestic market.

Further evidence confirming our argument is found in ISSB's authoritative statistics for the import of steel plates (please note, ISSB's data has a wider definition for steel plate than category 7 so the numbers are larger than indicated by the quota but the identified underlying trends remain valid). They confirm that steel plate imports have surged – extrapolating the most recent data available would see 2025 imports rise to over 519 kt, a 40% increase on the average of the preceding three years (280 kt).

As identified in the table below, all the top ten significant exporting countries representing circa 90% of all UK plate imports, have significantly increased their exports to the UK.

<b>Exporting Country</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025 (extrapolated)</b>	<b>Change (22 -&gt;25)</b>
Netherlands	69,346	77,508	68,999	110,028	159%
South Korea	26,830	42,227	42,375	89,646	334%
Germany	32,570	27,625	36,345	62,100	191%
Sweden	45,413	53,525	38,487	52,416	115%
France	9,075	19,018	9,083	33,174	366%
Denmark	25,671	19,556	14,321	14,652	57%
Finland	26,525	20,901	24,530	9,444	36%
Belgium	10,884	12,460	8,022	8,742	80%
Spain	18,551	14,946	15,245	6,864	37%
Italy	5,964	10,752	14,397	6,708	112%
<b>Top 10 imports</b>	<b>270,829</b>	<b>298,518</b>	<b>271,804</b>	<b>393,774</b>	<b>145%</b>
<b>Total imports</b>	<b>309,967</b>	<b>325,834</b>	<b>302,971</b>	<b>519,546</b>	<b>168%</b>



### **Maintaining Traditional Trade Flows**

As LSD have outlined above, the safeguards are not currently maintaining traditional trade flows rather, they are continuing to enable a significant increase of imports and are not providing any level of defence for domestic production.

Domestic producers who face internationally uncompetitive energy costs and high environmental costs cannot compete with cheap imports from regions who do not incur these overheads. As a direct result, LSD were forced to constrain production during 2023 [REDACTED]

LSD recognises that whilst the two domestic producers can fulfil the greater majority of the UK market's steel plate demands, there are some plate segments that require a limited level of imports due to domestic capability; [REDACTED]

### **Other Relevant Factors**

Supporting the necessity for a quota review are two further critical risks. The first is the consequence of trade diversion should the European Union (EU) reconfirm their steel safeguards and the UK does not review theirs. This would undoubtedly lead to a significant level of diverted steel exports originally destined for Europe to be 'dumped' into the UK.

The second is associated with the disparity in timing of the implementation of Carbon Border Adjustment Mechanisms (CBAM) between the EU and the UK. Should the EU introduce their definitive phase as planned on January the 1<sup>st</sup> 2026 and the UK delays their introduction until January the 1<sup>st</sup> 2027, then the risk of trade diversion is further amplified.

## Conclusion

LSD strongly supports the critical review of quotas for Category 7, Quarto Plate. We believe that there is very strong evidence and many additional risks that imports are not only rapidly increasing due to an 'unlevel playing field' effect but set to continue to do so. Previous import surges led to the permanent closure of the British Steel Scunthorpe plate mill and the mothballing of its Dalzell plate mill. [REDACTED]

Yours Faithfully



Gordon MacRae  
**Managing Director, Liberty Steel Dalzell**

M: [REDACTED]

E: [REDACTED]