

UK Steel response to SIFD TQ0052

UK Steel welcomes the TRA recommendation to split and expand the quota for category 1. This maintains the robustness of the safeguard protection which remains essential, but recognises and adjusts to the changing needs of the UK market.

From the options proposed, UK Steel would favour a global quota for 1B which would give greater flexibility to downstream users to source material. As the TRA acknowledges in the SIFD, the circumstances of this review are unique:

“The TRA considers that use for downward processing is a new market for Category 1 goods imported into the UK with no clearly defined global market at this stage, these goods having previously been supplied by the UK producer. As a result, there are no traditional trade flows that we are seeking to maintain through the TRQ. Introducing a global TRQ for Category 1B with no cap on export volumes by individual countries or territories would enable this new market to establish its own trade flows through subsequent exports. In turn, the global TRQ would provide the necessary support to UK industry in being able to address the reduction in domestic supply through imports.” (para 69)

If caps are to be introduced, UK Steel supports Tata Steel’s proposals based on the data provided.

Overall, UK Steel welcomes the progress being made with adjusting the category 1 quota and look to quick implementation of the new quota format. Splitting the quota based on end-use will be beneficial for the whole supply chain and this should be brought into effect as soon as possible.