

VAN BAELE & BELLIS

GLAVERBEL BUILDING
CHAUSSÉE DE LA HULPE 166 TERHULPSESTEENWEG
B-1170 BRUSSELS, BELGIUM

TELEPHONE +32 (0)2 647 73 50
TELEFAX +32 (0)2 640 64 99
WWW.VBB.COM

Trade Remedies Authority
North Gate House
21-23 Valpy Street
Reading RG1 1AF
United Kingdom

23 February 2026

NON-CONFIDENTIAL

Dear Case Team,

Our client: Hoa Sen Group

Subject: TQ0077 – Tariff Rate Quota review concerning imports of aluzinc, aluminised flat steel, and quarto plate (Category 4 and 7) – Comments on Statement of Intended Final Determination

1. INTRODUCTION

1. The present submission provides the comments of our client, Hoa Sen Group (**HSG**), on the Statement of Intended Final Determination (**SIFD**) published by the UK Trade Remedies Authority (**TRA**) on 13 February 2026, in the context of the Tariff Rate Quota (**TRQ**) review of imports of aluzinc, aluminised flat steel, and quarto plate (product categories 4 and 7).

2. In its SIFD, the TRA concluded that it intends to maintain the tariff rate quota for categories 4 and 7. HSG submits that, contrary to its intended determinations, the TRA should exclude imports of Galvalume steel products classified under commodity code 7210 6100 20 from the scope of safeguard measures in the UK or, alternatively, increase the quota volumes for product category 4 to meet internal UK demand.

3. The following reasons support HSG's determination, which are addressed in the corresponding sections below:

- The TRA has determined the existence of a change in circumstances for category 4 (**Section 2**);
- The TRA has not sufficiently demonstrated the existence of domestic production (**Section 3**); and
- The TRA's assessment on the quota utilisation is not complete (**Section 4**).

2. THE TRA HAS ESTABLISHED A CHANGE IN CIRCUMSTANCES FOR PRODUCT CATEGORY 4

4. In the course of the investigation several interested parties – including HSG – have provided evidence pointing towards the existence of a change of circumstances which would justify the removal of the commodity codes concerned from the scope of the measures.¹ Indeed, having determined itself the existence of this change in circumstances, the TRA has erred by failing to give due consideration to this factor in its recommendation to maintain the existing TRQ.

5. Pursuant to regulation 35B(6)(b) of the Trade Remedies (Increase in Imports Causing Serious Injury to UK Producers) (EU Exit) Regulations 2019 (the **Regulations**), the TRA must determine whether there has been a change of circumstances since the application of the relevant tariff quota. For this purpose, Regulation 35B(9) defines a ‘change of circumstances’ by reference, *inter alia*, to two factors:

- (i) the fact that the tariff rate quota, or any part of the quota, has been exhausted; and
- (ii) the impact of the tariff rate quota on traditional trade flows.

6. Regarding the first factor, the TRA explicitly acknowledged that, during the period of investigation (**POI**) (i.e., July 2025-September 2025), the country-specific caps for Vietnam and Korea were exhausted. This exhaustion followed the introduction of an ad-hoc 15% country-specific quota cap² on those countries, which had not previously existed.³ As mentioned above, Regulation 35B(9)(a) defines a ‘change of circumstances’, *inter alia*, as “*the fact that the tariff rate quota, or any part of the quota, has been exhausted*”, thereby encompassing country-specific quotas. Accordingly, the TRA accurately established the existence of a change of circumstances in view of the exhaustion of the country-specific quota for Vietnam.⁴

7. In terms of impact of the TRQ on traditional trade flows, the TRA further found that import patterns for product 4 category have shifted materially compared with the pre-safeguard period, with “significant increase”⁵ in volumes originating from Vietnam and Korea, while imports from nearly all other sources have declined markedly.⁶ Therefore, likewise in this regard, the TRA correctly established a ‘change in circumstances’ under Regulation 35B(9)(e).

8. In view of this, and in accordance with the rationale of Regulation 35B, the logical procedural consequence of a finding of a change in circumstances is that the TRA should have recommended the removal of the TRQ, as the change of circumstances has been established by both factors under Regulation 35B(9). It follows that the TRA’s proposed recommendations are inconsistent and plainly contrary to the rationale and purpose of Regulation 35B of the Regulations, which is expressly designed to reassess the circumstances of the relevant TRQ in order to revoke, or alternatively amend, the measure where, *inter alia*, a change in circumstances is identified.

¹ International Steel Trade Association (**ISTA**)’s Application, sec. 6.

² Statement of Intended Final Determination (**SIFD**), paras. 34-37. The introduction of the 15% cap took place on 1 July 2025 following Trade Remedies Notice 2025/12.

³ Indeed, prior to that quarter, the residual quota had been nearly fully utilized. See SIFD, para.65.

⁴ SIFID, para. 7.

⁵ Emphasis added, SIFID, para. 40.

⁶ SIFID, paras. 40-42.

9. This intended determination is also in contrast with the TRA's recommendation in the case SD0064 (Cold-rolled flat steel products)⁷, in which the TRA correctly found that a change in circumstances had occurred since the application of the relevant definitive safeguard. Unlike in the present case, it adequately took those findings into account in assessing whether UK producers had ceased to suffer serious injury or would not suffer such injury if the relevant definitive safeguarding remedy were revoked. Accordingly, the TRA issued a correct final recommendation to revoke the definitive safeguarding remedy. Although that case concerned a discontinuation review under regulation 35A, the fact is that regulations 35A and 35B have the same rationale (both aiming at reviewing a measure in case there is a change from the original situation) and they both emphasize the relevance of changes in circumstances for the purpose of determining the adequacy of a safeguard measure.

3. THERE IS LACK OF EVIDENCE OF DOMESTIC PRODUCTION

10. In its SIFD, the TRA has concluded that "*there are like or directly competitive goods produced in the UK for both commodity codes in category 4 based on physical and commercial likeness*".⁸ However, such evidence falls short of adequately establishing the existence of domestic production.

11. The TRA's conclusion is apparently grounded solely and exclusively on a single invoice submitted by Tata Steel UK Limited (**TSUK**), the only alleged producer of category 4 and 7 products in the UK, whose information, including the relevant production volumes, has not been made available.⁹ TSUK has merely asserted that it produced goods falling under commodity code 7210 6100 20 during the POI by reference to such single invoice. TSUK itself admits that the products contained in that invoice are not Aluzinc; beyond such invoice, neither TSUK nor any other UK domestic producer has provided evidence of commercially relevant domestic production of goods classified under commodity code 7210 6100 20.¹⁰

12. Based on these premises – namely, the existence of a single invoice for the entire POI,¹¹ and TSUK's assertion that it produces goods falling under commodity code 7210 6100 20 – the TRA reaches an erroneous conclusion, which is, first, internally contradictory and, second, unsupported by clear and transparent evidence.

13. Firstly, in the SIFD, the TRA ambiguously states that the invoice confirms that "*goods like those classified under this [7210 6100 20] commodity code were sold during the POI*".¹² In other words, and in view of the wording of the SIFD, it appears that the TRA implicitly acknowledges that TSUK products do not fall in the commodity code at stake, yet are products that are *alike* to those produced under the aforementioned commodity code. However, subsequently it concludes that the very same TSUK's invoice "*is sufficient to conclude that goods captured by commodity code 7210 6100 20 are produced in the UK.*"¹³

⁷ TRA's recommendation in SD0064 – Cold-rolled flat steel products – Final determination, available [here](#).

⁸ SIFD, para. 91. Interestingly

⁹ TSUK's registration form, p. 6.

¹⁰ TSUK's registration form, p.9.

¹¹ SIFD, para. 51.

¹² SIFD, para. 51.

¹³ SIFD, para. 53.

14. Therefore, such conclusion is plainly contradictory: it is not possible to rely on the production goods which are alike to those classified under a specific commodity code (yet ultimately not) as a premise to establish that goods captured by such commodity code are produced in the domestic market. Indeed, it is not clear how an invoice 'confirming'¹⁴ the productions of goods that are not classified under commodity code 7210 6100 20 can constitute evidence of domestic production of goods under commodity code 7210 6100 20.

15. Secondly, the TRA apparently bases its decision on a single invoice by TSUK for the entire POI yet has not disclosed any information (with due precautions to ensure the respect of confidential data, if necessary) as regards the volumes of the alleged production. This seriously questions whether the allegedly existent domestic production is commercially meaningful taking into consideration the apparent consumption in the UK for this product category.

16. HSG therefore submits that the TRA should disclose the domestic production volumes allegedly found to exist and proceed to compare them with the UK's domestic consumption as part of its assessment of whether the removal of commodity code 7210 6100 20 is warranted. HSG notes that the existence of commercially irrelevant volumes of domestic production should not lead the TRA to determine that the measures should be maintained in respect of that CN code. In this regard, the fact that only a single invoice has been produced strongly indicates that the volumes in question are minimal, yet HSG is prevented from further commenting on this aspect in view of the deficient level of disclosure from the TRA.

17. We also emphasize that in their registrations of interest importers,¹⁵ exporters,¹⁶ overseas producers/exporters,¹⁷ and foreign governments¹⁸ consistently indicate that there is no domestic production in the UK of goods classified under commodity code 7210 6100 20, which suggests that the evidence of domestic production that TSUK claims (if any) is in fact commercially irrelevant and does not serve the needs of the UK market.

18. Considering the above, HSG submits argue that the TRA has not yet sufficiently determined that there is UK production of products under commodity code 7210 6100 20 for the purpose of maintaining the measures in respect of this code, having priorly determined that there has been a change in circumstances.

4. THE TRA ASSESSMENT ON THE QUOTA UTILISATION IS NOT COMPLETE

19. The TRA has further erred in its assessment of quota utilisation and in failing to take into account domestic market conditions, the disruption of trade flows, and the specific needs of UK downstream users.

¹⁴ SIFD, para. 51.

¹⁵ See ISTA's Application, sec. 1; see also B.A. Steels Limited's TRQ Doc, Belmont & Knott Ltd's interest parti registration, C.J. Upton & Sons Limited (Uptonsteel)'s registration form, Hi-Tech Steel Services Ltd's registration form, Ssab Swedish Steel Limited's registration of interest, Stemcor Distribution Limited's registration form, and Target Steel Ltd's statement of interest.

¹⁶ See the comments on initiation submitted by China Steel Corporation (Taiwan)'s submission of views, Nam Kim Steel Joint Stock Company' registration form, and TVP Steel Trading Joint Stock Company's registration form.

¹⁷ See the submissions of Posco Steeleon Co., Ltd's registration form, Ton Dong A Corporation's registration form, and TVP Steel Joint Stock Company's registration form.

¹⁸ See the submission of the Government of the Republic of Korea's registration form.

20. In assessing whether the TRQ excessively restricts access to imports, the TRA observed that overall utilisation of the category 4 tariff-rate quota during the investigation period was relatively low, at 34%, leaving substantial volumes available from a variety of origins. While the TRA recognized importer concerns regarding dependence on certain lower-priced sources, it concluded that the safeguard remains sufficiently flexible to allow downstream users to source category 4 products from countries other than Korea or Vietnam without incurring out-of-quota duties.

21. However, notwithstanding its acknowledgment of changes in circumstances, the TRA's assessment did not consider that importer preferences extend beyond purely price considerations. The surge in the UK demand for Vietnamese and Korean galvalume steel products is indeed attributable to several factors, including the fact that these products constitute a specialised category of coated steel, with distinct technical characteristics and end uses that cannot be readily substituted with other coated flat products manufactured domestically.

22. The evidence provided by UK importers and ISTA, together with the exhaustion of the currently available quota, demonstrates that the measure has triggered a disruption in trade flows and a shortage of supply in the market.¹⁹

23. The cost increases resulting from the TRQ are ultimately borne by downstream users of galvalume steel products. Key sectors, including construction, roofing, and cladding, rely on galvalume for its unique combination of corrosion resistance, durability, and performance. Restrictions on supply raise input costs, cause project delays, and broadly impact manufacturers and consumers who depend on this product as a critical input.²⁰

24. By operating on a *first come, first served* approach, the current quota system generates substantial uncertainty for UK importers. For example, shipments from Vietnam require 60–65 days in transit, complicating inventory planning and often compelling importers to cancel orders, delay deliveries, or procure from alternative suppliers at potentially higher cost or reduced quality. Additionally, costs may increase when quotas are rapidly exhausted, whether as a result of the imposition of the 25% safeguard duty or the necessity to source from more expensive alternatives. Importers also incur additional administrative burdens in monitoring quota levels, adjusting procurement plans, and renegotiating prices or delivery terms.²¹

25. While Regulation 35B(c) states that the TRA 'may consider' the appropriateness of the TRQ for domestic market conditions and such other factors as it considers relevant, that provision cannot be interpreted as conferring arbitrary discretion to disregard pertinent factors. Instead, it should be interpreted as permitting discretion only in weighing those factors that are relevant to the assessment. Therefore, given the significance of the factors above we argued that TRA erred in not considering them in the context of the review.

¹⁹ HSG's Annex 1, para. 13; ISTA's Application, sec. 6-7.

²⁰ HSG's Annex 1; ISTA's Application, sec. 7.

²¹ HSG's Annex 1.

26. Where a change in circumstances has been acknowledged, the adequacy of the existing quota must necessarily be reassessed. Maintaining unchanged quota volumes in such circumstances renders the safeguard measure disconnected from current market realities. In this case, the exclusion of galvalume would not only be fully in compliance with the current legal framework but would also enable UK customers to maintain stable supplies, reduce the risk of disruptions and unforeseen costs, and provide HSG with a clearer and more predictable framework within which to supply in line with actual customer demand.

27. Accordingly, the TRA should take these factors into account when assessing the adequacy of quota availability and remove the quota or, alternatively, vary it to reflect UK demand by increasing the available quota for product category 4 in respect of countries such as Vietnam or South Korea, in accordance with Regulation 35B(7)(a).

5. CONCLUSION

28. In light of the above, HSG respectfully urges the TRA to continue the review and to exclude the imports of galvalume steel products classified under commodity code 7210 6100 20 from the scope of the applicable steel safeguard measures due to a substantial change in circumstances and lack of evidence concerning the existence of domestic production.

29. Alternatively, we would recommend the TRA to review and expand the Vietnamese quota volumes applicable to these products under the current safeguard measures in order to satisfy domestic UK demand.

Sincerely,

Fabrizio Di Gianni

Aldo Scalini

Trajan Shipley