



Registration Form

Suspension Review – Category 1 steel products

Case No. SS0051

Period of Investigation:	<input type="text" value="N/A"/>
Deadline for response:	<input type="text" value="25 February 2024"/>
Case Team Contact:	<input type="text" value="SS0051@traderemedies.gov.uk"/>
Completed on behalf of:	<input type="text" value="Click or tap here to enter text."/>
Party type (select):	<input type="checkbox"/> UK producer of Category 1 steel products <input checked="" type="checkbox"/> Other (Government of relevant foreign country or territory (Interested Party))

When you have completed this form, indicate the **confidentiality** status of this document by placing an X in the relevant box below and in the header. We strongly recommend this questionnaire to be completed on the computer, so this step is easy to complete:

- Confidential
 Non-Confidential – may be made publicly available

Parties providing confidential information should also provide a non-confidential summary of that information or a statement of reasons why it cannot be summarised. Both copies must be returned to the TRA using the Trade Remedies Service (www.trade-remedies.service.gov.uk) by **25 February 2024**.



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Suspension review

The review will consider:

- Whether the market conditions have changed temporarily;
- Whether serious injury caused to the UK producers is unlikely to recur if the application of the safeguarding remedy were to be suspended;
- Whether the suspension is appropriate; and
- The appropriate length of any suspension.

Relevant measure

The review will consider whether it is appropriate to suspend the safeguarding remedy on Category 1 steel products, following the measure imposed as a result of the reconsideration of the transition review TF0006 from 1 July 2022, the SM0016 Tariff-Rate Quota (TRQ) review from 1 July 2022, the SM0019 TRQ review from 1 July 2022, and TQ0030 TRQ review from 30 June 2023. Details of the measure imposed are set out in:

- [Trade Remedies Notice 2022/01: Safeguard Measure: Tariff-Rate Quota on steels goods](#); and
- [Trade Remedies Notice 2023/10: Safeguard Measure: Tariff-Rate Quota on steels goods](#).

Goods subject to review

The goods subject to review are: Category 1 steel - non-alloy and other alloy hot rolled sheets and strips.

The goods subject to review are subject to the following tariff classifications:

72081000, 72082500, 72082600, 72082700, 72083600, 72083700, 72083800, 72083900, 72084000, 72085210, 72085299, 72085310, 72085390, 72085400, 72111300, 72111400, 72111900, 72126000, 72251910, 72253010, 72253030, 72253090, 72254015, 72254090, 72261910, 72269120, 72269191, 72269199

For more information about this case, you may refer to the Notice of Initiation published at: www.trade-remedies.service.gov.uk/public/cases.



Instructions

I – Who should complete this form

You should complete this form if you wish to comment on the proposed suspension.

II – Note about confidentiality

Anyone requesting that information be treated as confidential should provide a non-confidential summary of that information or a statement of reasons why it cannot be summarised.

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, which includes personal contact information, names and signatures.

All information provided to the Trade Remedies Authority (TRA) in confidence will be treated accordingly, only used for this review, and will be stored in protected systems.

The non-confidential version of your submission may be placed on the public file, which is available on www.trade-remedies.service.gov.uk/public/cases.



Section A – Your organisation’s interest in the review

To register your organisation’s interest in this suspension review, please complete the text boxes below.

A1. Please describe your interest in this suspension review:

Please find the attached paper at the end of this questionnaire.

Section B – Comments on the proposed suspension

The TRA is considering suspending the application of the safeguarding remedy on Category 1 steel products.

During this suspension review, the TRA will consider whether market conditions have temporarily changed. We will assess whether, as a consequence of the change in market conditions, serious injury to UK producers would be likely to recur if the measure were suspended.

Before making its recommendation, the TRA must give UK producers the opportunity to comment on the proposed suspension.

Therefore, we invite comment and evidence on the following considerations:

B1. Change in market conditions

Market conditions have changed because the only known UK producer of Category 1 steel products, TATA Steel UK, is undertaking a technical reconfiguration of its business. During this reconfiguration, the applicant highlighted that domestic production and supply of the goods subject to review will be limited and that it intends to import the goods subject to review to maintain downstream operations. The reduction in the UK production of Category 1 steel products has resulted in a change in market conditions.



Please provide any comments on the described change in market conditions that you consider relevant for the TRA to take into consideration during the suspension review:

Please find the attached paper at the end of this questionnaire.

B2. Temporary nature of the change

This change is of a temporary nature because the UK producer is undergoing a technical reconfiguration in order to complete its decarbonisation process, and has stated that it intends to resume production of Category 1 steel products once completed. Additionally, alongside this suspension review, the TRA is initiating a TRQ review to consider medium-longer term solutions and consider this proposed suspension to be a stop-gap.

Please provide any comments on the described temporary nature of this change in market conditions that you consider relevant for the TRA to take into consideration during the suspension review:

Please find the attached paper at the end of this questionnaire.

B3. Effect on the UK industry as a result of the temporary change in market conditions

The UK industry is likely to see an increase in the cost of Category 1 steel products, as a result of the change in market conditions. Given the current domestic consumption of these goods, it is likely the current TRQ residual quota will be fully utilised, resulting in the application of the 25% safeguarding remedy on all additional imports of the goods subject to review.



Please provide any comments on the described effect on UK industry as a result of the temporary change in market conditions that you consider relevant for the TRA to take into consideration during the suspension review:

Please find the attached paper at the end of this questionnaire.

B4. Serious Injury to UK Producers

Serious injury to UK producers may be unlikely to recur if the application of the safeguarding remedy were to be suspended. The only known UK producer of these products has requested the suspension, and while we are aware of other facilities in the UK that are able to produce the goods subject to review, we have seen no evidence that this is likely to occur in the proposed suspension period.

Please provide any comments that you consider relevant for the TRA to take into consideration to assess whether serious injury would be likely to recur, if the safeguarding remedy on Category 1 steel products were to be suspended as a result of the temporary changes to market conditions described above:

Please find the attached paper at the end of this questionnaire.

Section C – Additional information

C1. Please use the box to provide information about anything else you consider relevant to this suspension review:

Please find the attached paper at the end of this questionnaire.



PUBLIC

**SUBMISSION OF THE GOVERNMENT OF THE REPUBLIC OF KOREA
REGARDING CASE NO. SS0051**

**(THE SAFEGUARD MEASURE ON CERTAIN STEEL PRODUCTS
INITIATION OF A SUSPENSION REVIEW – CATEGORY 1 STEEL – HRFC)**

25 February 2024



I. INTRODUCTION

1. The Government of Republic of Korea (“**Korean Government**”) hereby submits its views in the framework of the steel safeguard suspension review on Category 1 steel – HRFC (Case no. SS0051) initiated by the UK Trade Remedies Authority (“**TRA**”) on 9 February 2024.
2. As a preliminary point, the Korean Government understands that the suspension of the safeguard measure applicable to imports of hot-rolled flat coil (“**HRFC**”) for nine months can be **justified**.

II. LEGAL BASIS CONCERNING SUSPENSION REVIEW

3. In accordance with Regulation 39 of the Trade Remedies (Increase in Imports Causing Serious Injury to UK Producers) (EU Exit) Regulations 2019 (“**Safeguard Regulations**”)¹, the TRA may recommend suspending the safeguard measure if: *market conditions have changed temporarily; serious injury caused to UK producers is unlikely to recur (because of the change in market conditions); TRA is satisfied that a suspension is appropriate; and TRA has given the UK producers the opportunity to comment on the suspension.*
4. Regulation 40 of the Safeguard Regulations also suggests that the suspension application must include possible information on *the change in the market conditions; the temporary nature of that change; and the effect of the change on UK producers.*
5. Further, based on the Regulation 41 of the Safeguard Regulations, the TRA can recommend suspending the applicable measures for a period of up to **9 months**. Also, where the TRA considers it appropriate, it can further recommend extending the duration of the suspension period to a maximum of **21 months**.

III. CHANGE IN MARKET CONDITIONS EXISTS AND THE NATURE OF THE CHANGE IS TEMPORARY

¹ The Trade Remedies (Increase in Imports Causing Serious Injury to UK Producers) (EU Exit) Regulations 2019 (accessible [here](#)).



6. Drastic change in market condition **exists** with the sole producer of HRFC in the UK; TSUK is temporarily closing down its production facilities while going through a technical reconfiguration in order to complete its decarbonization process.
7. The Government of Korea views it is clear that the change in market conditions is **temporary** in that the technical adjustment takes a certain period of time before its product line's renewal and in that it will resume once it is ready. Indeed, the TSUK's transition to EAF-based steel making is only temporary in nature as it announced that the expected time of transition will likely be 36 months.²

IV. EXPECTED EFFECT ON THE UK INDUSTRY DUE TO THE CHANGE

8. Currently, there are six operating mills in the UK including Tata Steel Port Talbot, Celsa Steel UK Cardiff Plant, FGF Liberty Steel Rotherham and British Steel Scunthorpe. Among those, TSUK is the only and the largest producer of HRFC producing million tons of steel per year. It has been reported that TSUK has been experiencing issues with its upstream assets resulting in HRFC shortage for its **downstream production**.
9. Due to the fact that the transition will require a certain period of time before it resumes its production line, the demand of UK producers for HRFC from other sources will be skyrocketed. As the only supplier of HRFC struggling to supply itself as well as the UK market at large, there is a need to procure HRFC from other sources, i.e., **imports from third countries**.
10. In this regard, there is a risk that supply will not be enough within the current framework of the TRQ, and that the **price** for HRFC will surge at least by 25% safeguard duty payable in excess of the applicable quotas as no UK producer would be able to meet the demand in time.

V. SERIOUS INJURY TO THE UK PRODUCERS UNLIKELY TO RECUR

² Tata Steel, Tata Steel and the UK Government jointly agree on a proposal for the largest investment in the UK Steel Industry for decades, 15 September 2023 (accessible [here](#)).



11. The Government of Korea sees there would be **no** potential impact of **serious** harm or **injury** to the UK producers once the application of the safeguarding remedy were to be suspended. This is because there will be essentially no HRFC producer in the UK during the TSUK's halt of HRFC production while going through a temporary transitioning to EAF-based steelmaking. By definition, seeing that the only producer in the US is the very same party that applied for the suspension of the safeguard measure for HRFC, there can be no injury to the UK producers under such circumstances.

VI. CONCLUSION

12. The Government of Korea believes that the conditions required for the TRA to make a suspension recommendation in this case are met, and that such suspension would be **appropriate**.
13. Furthermore, we request that the TRA recommends suspending the safeguard measure for at least nine months (*i.e.*, beyond 30 June 2024 as initially requested by TSUK) and eventually extend to **21 months**, since this case warrants such extension for a longer period.