



Trade Remedies  
Authority

## **Tariff Rate Quota Review**

### **Case TQ0077**

## **Statement of Intended Final Determination**

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# Section A: Summary

## A1. Introduction

1. This tariff rate quota (TRQ) review concerns the safeguard measure applying to category 4 and category 7 steel products. The [Notice of Initiation](#) (NOI) was published on 14 January 2026. The scope of the goods subject to review is defined in section C2.2 Goods Subject to Review.
2. This Statement of Intended Final Determination (SIFD) sets out a summary of the facts that the Trade Remedies Authority (TRA) considered during this TRQ review, and upon which it has based its Intended Final Determination, in accordance with regulation 29(1)(a) of the Trade Remedies (Increase in Imports Causing Serious Injury to UK Producers) (EU Exit) Regulations 2019 (as amended) (Safeguard Regulations). It should be read in conjunction with other documents available for this case on [the public file](#).
3. Parties are invited to make comments in response to the SIFD via the [Trade Remedies Service](#) (TRS) by 23:59 UK time on 23 February 2026. Please contact [TQ0077@traderemedies.gov.uk](mailto:TQ0077@traderemedies.gov.uk) if you have any difficulties using this service.
4. We may consider comments made after this date, but we are not obliged to do so if we consider this would significantly impede the progress of the investigation. Where we reject information for any reason, we will publish our reasons for rejection in our final determination.
5. Anyone requesting that information be treated as confidential must demonstrate why and provide a non-confidential summary of that information, or a statement of reasons why it cannot be summarised. Please contact [TQ0077@traderemedies.gov.uk](mailto:TQ0077@traderemedies.gov.uk) if you cannot provide a non-confidential version.
6. For further guidance and information regarding TRQ reviews, please see our [public guidance concerning reviews of safeguard measures](#).

## **A2. Legal framework**

7. This SIFD is made pursuant to regulations 29 and 36(4A) of the Safeguard Regulations. It sets out:
  - the final determination that the TRA intends to make (“intended final determination”);
  - a summary of the facts considered during the review; and
  - those facts that formed the basis of the intended final determination.

## **A3. About this review**

8. This is a TRQ review of a trade remedy measure under regulation 35B of the Safeguard Regulations. As per regulation 35B(1) of the Safeguard Regulations, the TRA may conduct a TRQ review where it is satisfied that there is sufficient information indicating that there may have been a change of circumstance since the application of the tariff rate quota.
9. On 14 January 2026, the TRA initiated this TRQ review following receipt of two separate applications, one submitted by the International Steel Trade Association (ISTA) and one by Babcock International Group (Babcock). Both of these applications included information indicating that there may have been a change of circumstances which corresponds with the provisions in regulation 35B(9)(a) and regulation 35B(9)(e) of the Safeguard Regulations, namely that the tariff rate quota, or any part of the quota, has been exhausted, and the impact of the tariff rate quota on traditional trade flows.
10. The Period of Investigation (POI) for the review to assess the change in circumstances is 1 October 2024 to 30 September 2025. The representative period for assessing traditional trade flows is the period of 1 July 2017 to 30 June 2018.

## Section B: Background and initiation

### B1. Summary

11. Details of the measure currently imposed, including the tariff rate quotas, are set out in:
  - [Trade remedies notice 2025/12: Safeguarding measure: tariff-rate quota on steel goods](#)
12. The TRA received TRQ review applications relating to Category 4 and 7 of the steel safeguards measure from ISTA (a UK trade association of importers of the goods subject to review) alleging there has been a change in circumstances since the application of the TRQ. The TRA then assessed that the application contained sufficient evidence indicating that there may have been a change in circumstances since the application of the TRQ to categories 4 and 7 to justify initiating a TRQ review, in accordance with Regulation 35B(1) of the Safeguard Regulations.
13. The TRA also received a TRQ review application relating to Category 7 of the steel safeguards measure from Babcock (a UK importer of the goods subject to review) alleging there has been a change in circumstances since the application of the TRQ. The TRA then assessed that the application contained sufficient evidence indicating that there may have been a change in circumstances since the application of the TRQ to category 7 to justify initiating a TRQ review, in accordance with Regulation 35B(1) of the Safeguard Regulations.
14. The TRA has combined the matters raised by ISTA and Babcock (“the applicants”) in this TRQ review due to the overlap in the goods subject to review and to support operational efficiencies.
15. This TRQ review has considered whether the tariff rate quotas to which certain steel products are subject should be varied. The goods subject to review is defined in section C2.2 Goods Subject to Review.

### B2. Interested parties and contributors

16. When the TRA initiated this TRQ review, it provided an opportunity for parties to register their interest and provide comments. A list of registered interested parties and contributors are set out in this table:

**Table 1: Interested parties and contributors registered to the review TQ0077**

<b>Name</b>	<b>Abbreviation</b>	<b>Category</b>	<b>Submission(s)</b>
International Steel Trade Association	ISTA	Applicant / Trade association	Application
			Application amendment
Babcock International Group	Babcock	Applicant / Importer of goods subject to review	Application
			Registration form
Tata Steel UK Limited	TSUK	Domestic producer of like or directly competitive goods	Registration of interest
Spartan Steel Ltd	Spartan	Domestic producer of like or directly competitive goods	Registration of interest
Liberty Steel Dalzell Ltd	Liberty Dalzell	Domestic producer of like or directly competitive goods	Registration of interest
Nam Kim Steel Joint Stock Company	NKSJSC	Exporter of goods subject to review	Registration of interest
Hoa Sen Group	HSG	Exporter of goods subject to review	Registration of interest
Ton Dong A Corporation	TDAC	Exporter of goods subject to review	Registration of interest
Pomina Flat Steel Joint Stock Company	PFSJSC	Exporter of goods subject to review	Registration of interest
TVP Steel Trading Joint Stock Company	TVP STJSC	Exporter of goods subject to review	Registration of interest
POSCO	POSCO	Exporter of goods subject to review	Registration of interest
China Steel Corporation (Taiwan)	CSC Taiwan	Exporter of goods subject to review	Registration of interest
POSCO STEELCON	POSCO STEELCON	Overseas producer of products in category 4	Registration of interest
HPPS	HPPS	Overseas producer of products in category 4	Registration of interest
TVP Steel Joint Stock Company	TVP SJSC	Overseas producer of products in category 4 and 7	Registration of interest
Target Steel Ltd	Target Steel	Importer of goods subject to review	Registration of interest
Steel & Alloy Processing Limited	S&A Processing	Importer of goods subject to review	Registration of interest
B.A. Steels Ltd	BA Steels	Importer of goods subject to review	Registration of interest

SSAB Swedish Steel Limited	SSAB	Importer of goods subject to review	Registration of interest
Sebden Steel Service Centres Ltd	Sebden	Importer of goods subject to review	Registration of interest
Belmont & Knott Ltd	Belmont & Knot	Importer of goods subject to review	Registration of interest
Brown McFarlane Limited	Brown McFarlane	Importer of goods subject to review	Registration of interest
Stemcor Distribution Limited	Stemcor	Importer of goods subject to review	Registration of interest
Hi-tech Steel Services Limited	Hi-tech Steel	Importer of goods subject to review	Registration of interest
Duferco UK Ltd	Duferco	Importer of goods subject to review	Registration of interest
C.J. Upton & Sons Limited	CJ Upton & Sons	Importer of goods subject to review	Registration of interest
Salzgitter Mannesmann UK Ltd	Salzgitter Mannesmann	Importer of goods subject to review	Registration of interest
Top Tubes Limited	Top Tubes	Importer of goods subject to review	Registration of interest
The Ministry of Trade of Republic of Turkey	Government of RT	Foreign Government	Registration of interest
Government of the Republic of Korea	Government of RK	Foreign Government	Registration of interest
Government of Malaysia	Government of Malaysia	Foreign Government	Registration of interest
Ministry of Commerce, India	Government of India	Foreign Government	Registration of interest
Trade Remedies Authority of Viet Nam	TRAV	Foreign Government	Registration of interest
EEF UK (UK Steel)	UK Steel	Trade association	Registration of interest
The Construction Equipment Association	The CEA	Trade association	Registration of interest
Korea Iron and Steel Association	KISA	Trade association	Registration of interest

17. The submissions made to this TRQ review are available on the [public file](#).

## Section C: Review Process

### C1. Overview

18. To identify whether there had been a change of circumstances since the application of the tariff rate quota to the goods subject to review, the POI was set as 1 October 2024 to 30 September 2025. This is the most recent 12-month period that we have trade data for.
19. By conducting the analysis over a 12-month period, the TRA was able to identify representative trade patterns for the products in scope and minimise distortions based on fluctuations of trade at different times of the year. Where relevant we have also conducted analysis on a quarterly basis during the POI, including when we account for the variation of the measure in July 2025.

### C2. Scope

#### C2.1 Countries

20. This review considers imports from all countries subject to the safeguard measure as well as those from developing countries who currently are excepted from the safeguard measure.
21. Developing country members of the WTO are listed in **Annex 2**.

#### C2.2 Goods Subject to Review

22. 'Goods subject to review' is defined in regulation 2 of the Safeguard Regulations as 'the goods described in the notice of initiation of a review'.
23. The goods subject to review in this TRQ review are:
  - Category 4 – Metallic coated sheet
  - Category 7 – Non-alloy and other alloy quarto plates.
24. The applicants have requested that a TRQ review consider whether specific commodity codes, currently included in the scope of the category 4 and 7 TRQs respectively, should be removed from the scope of the measures. These specific commodity codes are stated in the applications of ISTA and Babcock.
25. The commodity codes requested for review by the applicants are listed in **Annex 3**.

## **C3. Summary of facts considered**

### **C3.1 HMRC data**

26. To analyse trade flows in this TRQ review prior to initiation, we have used 8-digit trade data sourced from His Majesty's Revenue and Customs (HMRC).
27. The dataset used in this review is country of origin data for all imports. Country of origin data provides a more accurate picture of where imports are coming from than country of dispatch data. HMRC-published country of origin 8-digit bulk datasets can be accessed [here](#).

### **C3.2 Comments**

28. Following initiation of this review, parties were provided with an opportunity to provide comments on the review. All comments were reviewed by the TRA. The non-confidential versions of all the registration forms and submissions to this review can be found on the [public file](#).

### **C3.3 Other**

29. Other sources of information which the TRA has used in this review are referred to in the appropriate sections.

## Section D: Change in circumstances

### D1. Background

30. In conducting a TRQ review, the TRA must determine whether there has been a change in circumstances since the application of the relevant tariff rate quota (see regulation 35B(6)(b) of the Safeguards Regulations). Regulation 35B(9) of the Safeguards Regulations states that a change of circumstances may, among other things, be:
- the fact that the tariff rate quota, or any part of the quota, has been exhausted;
  - the impact of the tariff rate quota on traditional trade flows.
31. A summary of the change in circumstances that was found in this review is set out in the following section. Change due to partial quota exhaustion has been addressed in Section D2.1 and change due to the impact of the TRQ on traditional trade flows has been addressed in Section D2.2.

### D2. Assessment of change in circumstances

#### D2.1 Change due to partial quota exhaustion

32. ISTA and Babcock have both referenced that after 1 July 2025 the TRQ for product categories 4 and 7 were varied to be subject to country caps of 15% and 20% of the residual quota respectively, as per Trade Remedies Notice 2025/12<sup>1</sup> following the review TQ0066.<sup>2</sup>
33. The [UK Integrated Online Tariff tool](#) provides daily updated balances of tariff quotas. The TRA has used this tool to evaluate the quota utilisation rates during the POI for all categories currently subject to the safeguard measure.
34. The TRA has noted that the 15% country cap for category 4 goods was reached by Vietnam during the final quarter of the POI (July-September 2025). We also found that the 20% country cap for category 7 goods was reached by the Republic of Korea during the same quarter.

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<sup>1</sup> [Trade remedies notice 2025/12: safeguard measure: tariff-rate quota on steel goods](#), accessed 10/02/2026

<sup>2</sup> [TQ0066 - TRQ - Developing Country Exception Review, public file](#), accessed 10/02/2026

35. The TRA notes that the country caps were implemented to administer access to the TRQs, and a country reaching a country cap does not indicate exhaustion of the totality of the residual quota.
36. The TRA has concluded that part of the quota allocations for categories 4 and 7 were exhausted during the POI. Whilst individual country quotas and the residual quota for categories 4 and 7 were not exhausted during the POI, our analysis shows that individual country caps for Vietnam and the Republic of Korea were routinely reached after the introduction of these caps on 1 July 2025.
37. This conclusion that part of the quota has been exhausted during the POI satisfies the criteria for a change in circumstance in categories 4 and 7 as defined in regulation 35B(9)(a) of the Safeguard Regulations.

## **D2.2 Change due to the impact of the TRQ on traditional trade flows**

38. ISTA have stated the revised safeguards significantly restrict imports of category 4 from major supplier countries, including the Republic of Korea and Vietnam. It argues that these restrictions will materially alter market access conditions for domestic importers and downstream users<sup>3</sup>.
39. To test this statement the case team has gathered data from HMRC and Global Trade Tracker (GTT) to test whether there has been an impact on traditional trade flows by the TRQs on categories 4 or 7. The case team looked at trade flows of categories 4 and 7 products from the 12 months prior to when the safeguard measure was implemented (1 July 2017 to 30 June 2018) and the POI.

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<sup>3</sup> [ISTA Application](#), ISTA discontinue safeguarding on Aluzinc and Zinc Magnesium V7, page 4, section 6, accessed 09/02/2026

**Table 2: Category 4 products import volume prior to the TRQ and during the POI**

Country of origin (by volume in 2017/18)	June 2017 – July 2018 (import volume, metric tonnes)	POI [October 2024 – September 2025] (import volume, metric tonnes)	Difference (metric tonnes)	Percent change
Belgium	241,344.609	105,358.048	-135,986.561	-56.35%
France	229,111.251	164,543.447	-64,567.804	-28.18%
Germany	177,172.273	105,358.048	-71,814.225	-40.53%
Netherlands	158,548.776	94,151.324	-64,397.452	-40.62%
Taiwan	124,954.518	70,561.304	-54,393.214	-43.53%
Italy	91,882.756	1,809.025	-90,073.731	-98.03%
Vietnam	81,208.560	117,846.727	36,638.167	45.12%
Republic of Korea	49,973.445	148,449.241	98,475.796	197.06%
All other countries	289,224.879	115,682.400	-173,542.479	-60.00%
<b>Total</b>	<b>1,351,538.311</b>	<b>925,293.028</b>	<b>-426,245.283</b>	<b>-31.54%</b>

Source: HMRC UK Trade Info

40. This data shows that the trade flows of product category 4 have changed since 2017/18. Total import volume has increased significantly from Vietnam and the Republic of Korea, while imports from nearly all other sources have decreased significantly.

**Table 3: Category 7 products import volume prior to the TRQ and during the POI**

Country of origin (by volume in 2017/18)	June 2017 – July 2018 (import volume, metric tonnes)	POI [October 2024 – September 2025] (import volume, metric tonnes)	Difference (metric tonnes)	Percent change
Netherlands	47,158.945	128,554.456	81,395.511	172.60%
Ukraine	32,721.740	0.000	-32,721.740	-100.00%
Sweden	32,123.606	32,792.124	668.518	2.08%
Germany	31,779.998	22,507.774	-9,272.224	-29.18%
Spain	29,006.396	11,234.816	-17,771.580	-61.27%
Denmark	25,186.736	18,144.490	-7,042.246	-27.96%
Finland	25,185.646	20,021.200	-5,164.446	-20.51%
Republic of Korea	14,377.567	58,499.495	44,121.928	306.88%
All other countries	75,162.403	55,074.103	-20,088.300	-26.73%
<b>Total</b>	<b>312,703.037</b>	<b>346,828.458</b>	<b>34,125.421</b>	<b>10.91%</b>

Source: HMRC UK Trade Info

41. This data shows that the trade flows of product category 7 have changed since 2017/18. Total import volume has massively increased from the Netherlands and the Republic of Korea, while imports from nearly all other sources have decreased significantly.
42. This impact on traditional trade flows satisfies the criteria for a change in circumstance in Categories 4 and 7 as defined in regulation 35B(9)(e) of the Safeguard Regulations.

## Section E: Consideration of if the category 4 and 7 TRQs should be maintained or varied

### E1. Background

43. When this case initiated, parties were asked to comment on the request by the applicants to vary the safeguard measure by removing certain products from product categories 4 and 7. Parties were also invited to answer questions concerning the domestic production of categories 4 and 7 goods, import of the goods subject to review, whether directly competitive goods are produced in the UK, and the likelihood of serious injury if the safeguard measure was varied.

44. In its application, ISTA requests:

- Concerning category 4 products, *“the removal of safeguard measures on the following commodity codes:”*
  - *“7210610020 – Aluzinc (Aluminium-Zinc coated flat steel)”*
  - *“7210690080 – Aluminised flat steel (Aluminium or Aluminium-silicon coated)”*
- Concerning category 7 products, it states that *“quarto Plate below 15mm [thickness] and wider than 2050mm in width is not produced in the UK”* and that it requests *“a review of TRQs under safeguarding measures applicable to imports of non-alloy and other alloy quarto plates covered by product category 7 imported under commodity codes:”*
  - *7208 5191*
  - *7208 5291*
  - *7208 5198*
  - *7208 5120*
  - *7208 5299*

45. In its application, Babcock requests:

- *“Exemption of commodity code 7208512010 from safeguard”* and that *“Babcock wishes government departments to note.”*

- *“The considerable variety and complexity of steel required to support shipbuilding.”*
  - *“The importance of Shipbuilding to the Company as well as the regional economy.”*
  - *“That building a shipbuilding export business is dependent on optimising costs.”*
  - For *“government departments to agree that: Babcock should be exempted or refunded steel tariff costs (from South Korea or any other worldwide source)”*.
46. Several registered interested parties have provided submissions that oppose the applicants’ requests to vary the safeguard measure. The interested parties TSUK, Spartan, and Liberty Dalzell each state that they produce category 4 and/or category 7 products captured by the commodity codes listed above. These parties have stated that it is likely that UK producers of the like goods would likely suffer serious injury if the safeguard measure was varied as requested in the applications.
47. TSUK has also argued that parts of the TRQs for categories 4 and 7 have low utilisation and state that *“ISTA’s concerns do not relate to quota availability as such, but rather to a preference for specific low-priced origins (such as Korea and Vietnam)”*.<sup>4</sup>
48. The TRA has therefore considered the following to determine whether it should recommend maintaining, varying or, if there is sufficient evidence that UK producers have ceased all production of categories 4 and 7 goods, revoking the category 4 or 7 tariff rate quotas:
- Whether like or directly competitive goods captured by the following commodity codes are produced in the UK:

**Category 4**

- 7210 6100 20
- 7210 6900 80

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<sup>4</sup> [TATA STEEL UK LIMITED, registration of interest](#), accessed 10/02/2026

### **Category 7**

- 7208 5191 00
  - 7208 5291 00
  - 7208 5198 00
  - 7208 5120 00
  - 7208 5299 00
  - 7208 5120 10
- Whether category 7 products “*below 15mm [thickness] and wider than 2050mm in width*” have been produced in the UK.
  - Whether an exemption could be provided for Babcock that would not risk serious injury to UK producers of category 7 products.
  - Whether historic tariff rate quota usage indicates that UK importers are unduly restricted from importing goods subject to review in sufficient quantity to meet the needs of UK market.

## **E2. Consideration of parties’ comments**

### **E2.1 Removal of commodity codes from category 4**

49. The TRA has conducted a like and directly competitive goods assessment of the category 4 goods subject to review subject to the following commodity codes:
- 7210 6100 20
  - 7210 6900 80
50. This assessment identified that TSUK is the only registered interested party that produced category 4 products during the POI.
51. TSUK has stated in its registration document that it produced goods captured by the commodity code 7210 6100 20, although this product was not Aluzinc. TSUK has supported this statement by providing an invoice confirming goods like those classified under this commodity code were sold during the POI, with an export declaration stating that the products covered by the invoice are of UK preferential origin.

52. TSUK has stated that it does not produce 7210 6900 80. It also states that “*with respect to commodity code 7210690080, TSUK submits that it manufactures directly competitive products.*”
53. The TRA has determined that the evidence provided by TSUK is sufficient to conclude that goods captured by commodity code 7210 6100 20 are produced in the UK.
54. The TRA also considered the extent to which the products that TSUK produces within category 4, including 7210 6100 20, are directly competitive with Aluzinc and goods subject to review captured by the commodity code 7210 6900 80. We have considered the physical and commercial likeness of these goods, as well as the effect of price and warranties on direct competitiveness.
55. Concerning physical likeness, the TRA has found that there are significant similarities in raw materials and processing, with the primary difference being the ratio of raw material inputs. We have also identified that all products from these commodity codes share common British Standards, which conform to the European standardisation system,<sup>5</sup> indicating that there are significant physical similarities between the goods.
56. ISTA has stated in its application that there are certain roof and cladding warranties that require Aluzinc’s unique properties to be valid. It states that as Aluzinc is not produced in the UK there are no directly competitive goods suitable for this end use produced in the UK.
57. The TRA have investigated these roof and cladding warranties and found that the warranties are conditional on product properties that are shared with the goods produced by TSUK, such as the chemical composition of the product’s metallic coating and a requirement to meet certain European standards. We have therefore concluded that this evidence does not present a clear end use differential where a directly competitive good produced in the UK would not be also suitable.
58. Concerning commercial likeness, we have considered the different commercial uses of products within these commodity codes. We identified evidence of use cases where different products within these commodity codes were uniquely suitable, such as certain products that maintained stability under high temperatures, other products with high corrosion resistance, and others with superior forming properties. Nonetheless, the

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<sup>5</sup> [EN10029 Hot-rolled steel plates 3 mm thick or above - Tolerances on dimensions and shape](#), accessed 09/02/2026

products operate effectively in similar use cases such as those in construction and automotive industries. We consider it likely that goods could be substituted if commercial conditions permitted it.

59. The TRA has considered the effect of price on the direct competitiveness of category 4 goods produced in the UK and imports of goods subject to review captured by the commodity codes 7210 6100 20 and 7210 6900 80.
60. ISTA have stated that Aluzinc has a £30-40 per tonne premium and aluminised steel has a £110-130 per tonne premium over “*commercial grade category 4 material.*”
61. Conversely, TSUK have stated “*while ISTA argues that such substitution is currently limited due to the price premium of Aluzinc/aluminized steels, the very purpose of its request is to enable higher-volume imports at lower prices. It is therefore plausible that this premium would diminish (or disappear) under conditions of unconstrained supply.*”
62. We have considered the evidence provided by both parties and have concluded that a significant price difference does currently exist between the goods produced in the UK within category 4 including 7210 6100 20 and those imported under the codes 7210 6100 20 and 7210 6900 80. However, both TSUK and ISTA have confirmed that the relevant goods are similar enough to have competing end uses in the right market conditions, and the TRA considers it likely that the price difference between Aluzinc or aluminumized steel and other category 4 material would reduce if these products were no longer subject to the safeguard measure. The TRA has therefore concluded that the goods produced in the UK are directly competitive goods.
63. The TRA has also considered the quota utilisation of the category 4 TRQ during the POI, to assess whether importers have sufficient access to category 4 products to meet the demands of the UK market.

**Table 4: Quota Utilisation rates of category 4 during POI**

	Q2 (Oct 2024 – Dec 2024)			Q3 (Jan 2025 – Mar 2025)			Q4 (April 2025 – June 2025)			Q1 (July 2025 – Sep 2025)		
Country	Quota Available (MT)	Quota used (MT)	Utilisation	Quota Available (MT)	Quota Used (MT)	Utilisation	Quota Available (MT)	Quota Used (MT)	Utilisation	Quota Available (MT)	Quota Used (MT)	Utilisation
EU	520,473	118,504	23%	718,759	131,074	18%	907,994	116,078	13%	333,545	118,360	35%
Taiwan	63,682	22,554	35%	73,880	14,668	20%	92,328	16,520	18%	34,484	17,920	52%
India	24,727	22,686	92%	26,231	18,502	71%	32,118	3,085	10%	25,468	395	2%
Türkiye	49,085	32	0%	73,174	11	0%	97,552	132	0%	Individual country quota removed		
Residual	89,681	80,825	90%	92,507	89,384	97%	87,703	87,251	99%	85,595	25,788	30%
Vietnam	Prior to 1 July 2025, these countries did not have country-specific quotas or were not subject to country-specific caps for category 4 goods									12,839	12,839	100%
Republic of Korea										12,839	12,839	100%
Japan										12,839	69	1%
USA										12,839	42	0%
Canada										12,839	0	0%
Switzerland										12,839	0	0%
<b>Total</b>	<b>747,648</b>	<b>244,601</b>	<b>33%</b>	<b>984,550</b>	<b>253,637</b>	<b>26%</b>	<b>1,217,765</b>	<b>233,066</b>	<b>18%</b>	<b>479,092</b>	<b>162,462</b>	<b>34%</b>

64. Table 4 shows the quota utilisation rate in percentage terms for all countries with country specific quota, and after the safeguard measure was varied on 1 July 2025 to introduce a 15% country-specific cap to the category 4 TRQ, the table shows the country-specific cap utilisation of countries without country-specific quotas. Türkiye’s individual country quota was also removed for Q1 (July 2025). We calculated these values using the UK Integrated Online Tariff.<sup>6,7</sup> Quota availability is calculated from the available balance at the start of a quarter plus any unused balance carried forward from the previous

<sup>6</sup> [UK Integrated Online Tariff quota tool](#)

<sup>7</sup> In our analysis we identified some inconsistencies in the UKIOT data. We have addressed these with HMRC internal data.

quarter.<sup>8</sup> Quota use is calculated by subtracting the balance remaining at the end of the quarter from the quota available. Finally, we calculate utilisation by presenting the quota used as a share of the quota available.

65. Table 4 shows significant portions of the EU quota remaining unutilised over the POI, although utilisation increased in Q1 when unused balances were no longer carried over. We also note Vietnam and Republic of Korea quotas being reached in Q1, following Trade Remedies Notice 2025/12 which limited countries to 15% of the residual quota in Category 4. Prior to this quarter the residual quota was near fully utilised. Country caps appear to have limited imports under the quota in Q1 and lowered the utilisation rate significantly.

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<sup>8</sup> Unused quota balances were no longer carried forward from June 2025 onwards. This only affects Q1 in the above table.

66. As this shows that only 34% of the total category 4 tariff rate quota was utilised during the POI, the TRA has concluded that the current safeguard measure is sufficiently liberal to allow downstream users of category 4 products to purchase imports from other countries than the Republic of Korea or Vietnam without a significant risk of incurring the out-of-quota safeguarding duty.

## **E2.2 Removal of commodity codes from category 7**

67. The TRA has conducted a like and directly competitive goods assessment of the category 7 goods subject to review subject to the following commodity codes:

- 7208 5191 00
- 7208 5291 00
- 7208 5198 00
- 7208 5120 00
- 7208 5299 00
- 7208 5120 10

68. This assessment identified that TSUK, Spartan, and Liberty Dalzell are registered interested parties that produce these commodity codes.

69. TSUK has stated the following in its registration concerning which category 7 goods it produced:

*“TSUK provides evidence of the manufacture and sale of products classified under commodity codes 7208 5291, 7208 5120, 7208 5299, and 7208 5198 in Annex 2”*

*“With respect to commodity code 7208 5191, while TSUK has not identified direct evidence of current production, it has the technical capability to manufacture this product, as it represents a combination of parameters already produced by TSUK (width under 7208 5291 and thickness under 7208 5198)”*

70. TSUK provided additional evidence from its accounting mainframe which supported these statements.

71. Spartan has stated the following in its registration concerning which category 7 goods it produced:

*“Spartan UK produces category 7 products steel plates with thickness from 12 to 150mm, max width 2100 mm and max length 22 m. The relevant customs codes are as follows:*

*7208 5120 10; 7208 5120 90; 7208 5198 10; 7208 5198 90”*

72. This is consistent with the published submissions and notes to the public file in investigation AD0071 Hot-rolled steel plate from South Korea, where Spartan is the applicant.<sup>9</sup>

73. Liberty Dalzell has stated the following in its registration concerning which category 7 goods it produces:

*“Liberty Steel Dalzell Ltd are a UK based large area plate producer, producing plates in Category 7, codes 7208 5191 00, 7208 5120 00 and 7208 5120 10.*

*Rolling capacities:*

*Up to 3.95m wide trimmed plates, 4.15m untrimmed.*

*Up to 22m long*

*Up to 16.4t in plate weight*

*From 10mm Up to 150mm thick”*

74. Liberty Dalzell have provided additional evidence from its mill management system which supports these statements.
75. The TRA has determined that the evidence provided by TSUK, Spartan, and Liberty Dalzell is sufficient to conclude that goods like the imported goods subject to review, falling under all six commodity codes requested for review by the applicant, are produced in the UK. The TRA has also determined that there is sufficient evidence of category 7 goods production with over 2050mm width and less than 15mm thickness.
76. The TRA has also considered whether there is direct competition between UK produced category 7 goods that are less than 2050mm wide and imported category 7 goods over 2050mm wide.
77. Several parties, such as TSUK, have argued that wide plates can be split, trimmed to size, or welded together such that imported plates wider than 2050mm are directly

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<sup>9</sup> [AD0071 - Hot-rolled steel plate from South Korea, public file](#), accessed 02/02/2026

competitive with UK produced plates under 2050mm. Conversely, parties such as ISTA have stated that these plates are not directly competitive, as the process of splitting or combining plates fundamentally affects the material characteristics of the product and is too costly to be economically viable.

78. We have concluded that within certain end uses there is direct competition between welded or trimmed material, and there is a risk that removal of products from the TRQ would result in a price drop that could make the cost of resizing plate to be economically viable for some end uses. This indicates that there could be increased direct competition between imported plates over 2050mm wide and UK produced plate products under 2050mm wide if the measure were varied to not apply to goods over 2050mm wide.
79. However, evidence provided by ISTA indicates that welding or trimming material would lower the quality of the material such that it would no longer be fit-for-purpose in several end uses. ISTA have also provided evidence that there is a significant cost of cutting the material, which indicates that direct commercial competition would be limited if the price reduction from removing the effect of the safeguard measure is less than the £100/mT of cutting plates to size that ISTA have quoted in its application. We therefore have concluded that it is likely that there would be only limited competition between plate products produced in the UK which are less than 2050mm wide and imported plates that are over 2050mm wide.
80. The TRA has considered whether Babcock's technical requirements for steel are able to be met in the UK. We have compared details about its specific requirements with the capabilities reported by UK steel producers and found that no UK producer claims to produce category 7 goods of S grade flatness, which is a key technical requirement for Babcock. However, we have determined that UK industry does produce goods captured by the commodity code Babcock have requested to be reviewed (7208 5120 10).
81. The TRA has also considered the quota utilisation of category 7 during the POI to consider whether importers have sufficient access to tariff rate quotas to meet the demand of the UK market.

Table 5: Quota Utilisation rates Category 7 during the POI

	Q2 (Oct 2024 – Dec 2024)			Q3 (Jan 2025 – Mar 2025)			Q4 (April 2025 – June 2025)			Q1 (July 2025 – Sep 2025)		
Country	Quota Available (MT)	Quota used (MT)	Utilisation	Quota Available (MT)	Quota Used (MT)	Utilisation	Quota Available (MT)	Quota Used (MT)	Utilisation	Quota Available (MT)	Quota Used (MT)	Utilisation
EU	96,945	39,034	40%	126,370	61,476	49%	133,277	78,805	59%	71,178	52,642	74%
Residual	28,770	8,937	31%	44,657	19,033	43%	50,723	11,053	22%	25,401	5,909	23%
Republic of Korea	Prior to 1 July 2025, these countries did not have country-specific quotas or were not subject to country-specific caps for category 7 goods									5,080	5,080	100%
Japan										5,080	132	3%
USA										5,080	692	14%
Canada										5,080	0	0%
Taiwan										5,080	6	0%
Switzerland										5,080	0.2	0%
<b>Total</b>	<b>125,715</b>	<b>47,971</b>	<b>38%</b>	<b>171,027</b>	<b>80,510</b>	<b>47%</b>	<b>184,000</b>	<b>89,858</b>	<b>49%</b>	<b>96,579</b>	<b>58,551</b>	<b>61%</b>

82. Table 5 shows the quota utilisation rate in percentage terms for all regions with a country-specific quota, and after the safeguard measure was varied on 1 July 2025 to introduce a 20% country-specific cap to the category 7 TRQ the table shows the country-specific cap utilisation of countries without country specific quotas. To calculate these values we have used UK Integrated Online Tariff with the same methodology as Table 4.<sup>10,11</sup>
83. Table 5 shows relatively low utilisation until Q1, when unused quota balances were no longer carried to the following quarter. In Q2 – Q4 utilisation was between 40-59%; in Q1 this increased to 74%. We also note the Republic of Korea country cap was reached following Trade Remedies Notice 2025/12 which limited countries to 20% of the residual quota in Category 7. Country caps on the residual quota appear to have limited imports under the quota in Q1 although the utilisation rate remains low. This shows that the category 7 tariff rate quota for the EU was not fully utilised at any point during the POI and

<sup>10</sup> [UK Integrated Online Tariff quota tool](#)

<sup>11</sup> In our analysis we identified some inconsistencies in the UKIOT data, we have addressed these with HMRC internal data.

that the residual quota has not been significantly utilised except by imports from Republic of Korea. The TRA has concluded that the current safeguard measure is sufficiently liberal to allow downstream users of category 7 products to purchase imports from any country other than Republic of Korea without a significant risk of incurring the out-of-quota safeguarding duty.

## **Section F: Conclusion and Recommendation (Intended Final Determination)**

### **F1. Conclusion of this review**

84. In accordance with regulation 35B(6)(b) of the Safeguard Regulations, the TRA considered whether there has been a change in circumstances, as defined in regulation 35B(9) of the Safeguard Regulations, since the application of the TRQ.
85. We found evidence that parts of the tariff rate quotas were exhausted during the POI, specifically the country-specific caps for categories 4 and 7 were reached in the final quarter of the POI. Therefore, we have concluded that there has been a change in circumstance in accordance with regulation 35B(9)(a) of the Safeguard Regulations.
86. We also found evidence of the TRQs impacting traditional trade flows of categories 4 and 7 goods. Based on this evidence, we have concluded that there has been a change in circumstance in accordance with regulation 35B(9)(e) of the Safeguard Regulations
87. Therefore, we have determined that there has been a change in circumstances since the application of the tariff rate quota, in accordance with regulation 35B(6)(b) of the Safeguard Regulations.
88. In accordance with regulation 35B(6)(c)(i) of the Safeguard Regulations, we decided to further consider whether the TRQ is appropriate for the domestic market conditions. We concluded that overall quota usage is low enough to allow downstream users of categories 4 and 7 products to import the product required for the UK market without incurring the out-of-quota safeguarding duty by importing from regions with unexhausted quotas or country caps that have not been reached.
89. In accordance with regulation 35B(6)(c)(iii) of the Safeguard Regulations, the TRA exercised its discretion to consider other factors it considers relevant. Specifically, we considered whether the allocation of the tariff rate quota is suitable and whether it should be reallocated so as to remove any commodity codes from the safeguarding measures for categories 4 and 7 for which there is no current domestic production of like or directly competitive goods.

90. The TRA examined what we consider like or directly competitive goods within categories 4 and 7. We considered evidence provided by the applicants to the review, evidence provided by interested parties, and HMRC import data.
91. The TRA has concluded that there are like or directly competitive goods produced in the UK for both commodity codes in category 4 requested for review by the applicant ISTA (7210 6100 20 and 7210 6900 80), based on physical and commercial likeness. We also concluded that the import price of Aluzinc and aluminised steel is sufficiently similar to these like or directly competitive goods that varying the measure to remove these commodity codes would risk serious injury to UK industry. We have concluded that the TRA should not recommend removing these goods from the category 4 TRQ.
92. The TRA has concluded that like and directly competitive goods are produced in the UK for all five commodity codes in category 7 requested for review by the applicant ISTA (7208 5191 00, 7208 5291 00, 7208 5198 00, 7208 5120 00, and 7208 5299 00). We have also identified that goods captured by these commodity codes that are wider than 2050mm and thinner than 15mm are produced in the UK, and there is limited direct competition between UK produced plates under 2050mm wide and imported plate products over 2050mm wide. We have concluded that the TRA should not recommend removing these goods from the category 7 TRQ.
93. We have concluded that category 7 products with the technical requirements of the applicant Babcock are not produced in the UK. However, the TRA cannot exempt a specific company or technical requirement from the commodity code that the applicant requested to be reviewed (7210 5120 10).
94. We may recommend the removal of a commodity code from a TRQ only where there is sufficient evidence that UK producers have ceased production, and this review has identified UK production of goods which fall within the criteria of this commodity code during the POI.

## **F2 Intended recommendation**

95. Pursuant to 35B(7)(a) of the Safeguard Regulations, the TRA's intended final recommendation is to maintain the tariff rate quota for categories 4 and 7 in accordance with the relevant public notice made under section 13 of the Act.

## Annex 1: FTA partners with a current safeguard exception

Agreement	Multilateral safeguard exception
UK – Kenya	Active
UK-CARIFORUM EPA (Antigua and Barbuda, Barbados, Belize, the Bahamas <sup>12</sup> , Dominica, The Dominican Republic, Grenada, Guyana, Jamaica, Saint Christopher (Kitts) and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Suriname, and Trinidad and Tobago)	Active
SACUM-UK EPA.	Active

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<sup>12</sup> Not on the WTO Developing Country list

## Annex 2: Developing country members of the WTO<sup>13</sup>

Afghanistan, Albania, Angola, Antigua and Barbuda, Argentina, Armenia, Bahrain, Bangladesh, Barbados, Belize, Benin, Bolivia, Botswana, Brazil, Brunei Darussalam, Burkina Faso, Burundi, Cabo Verde, Cambodia, Cameroon, Central African Republic, Chad, Chile, Chinese Taipei, Colombia, Comoros, Congo, Costa Rica, Côte d'Ivoire, Cuba, Democratic Republic of the Congo, Djibouti, Dominica, Dominican Republic, Ecuador, Egypt, El Salvador, Eswatini, Fiji, Gabon, Gambia, Georgia, Ghana, Grenada, Guatemala, Guinea, Guinea-Bissau, Guyana, Haiti, Honduras, Hong Kong, India, Indonesia, Israel, Jamaica, Jordan, Kazakhstan, Kenya, Korea, Republic of., Kuwait, Kyrgyz Republic, Lao People's Democratic Republic, Lesotho, Liberia, Macao, Madagascar, Malawi, Malaysia, Maldives, Mali, Mauritania, Mauritius, Mexico, Moldova, Mongolia, Montenegro, Morocco, Mozambique, Myanmar, Namibia, Nepal, Nicaragua, Niger, Nigeria, North Macedonia, Oman, Pakistan, Panama, Papua New Guinea, Paraguay, Peru, Philippines, PRC,<sup>14</sup> Qatar, Rwanda, Saint Christopher (Kitts) and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Samoa, Saudi Arabia, Senegal, Seychelles, Sierra Leone, Singapore, Solomon Islands, South Africa, Sri Lanka, Suriname, Tajikistan, Tanzania, Thailand, Timor-Leste, Togo, Tonga, Trinidad and Tobago, Tunisia, Türkiye, Uganda, Ukraine, UAE, Uruguay, Vanuatu, Venezuela, Vietnam, Yemen, Zambia, Zimbabwe

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<sup>13</sup> Some of the below countries have been excluded from the calculation because of the FTA/EPA agreements listed in Annex 1

<sup>14</sup> Please note that [the PRC has announced in September 2025](#) that “as a responsible major developing country, China will not seek new special and differential treatment in the current and future WTO negotiations.” It has not affected the status of the PRC as a developing country member in the WTO.

## Annex 3: Commodity codes requested for review in the applications

Product Number	Product Category	Commodity Codes
4	Metallic coated sheet	7210 6100 20 7210 6900 80
7	Non-alloy and other alloy quarto plates	7208 5191 00 7208 5291 00 7208 5198 00 7208 5120 00 7208 5299 00 7208 5120 10

## Annex 4: Tariff Rate Quotas

Quarterly volumes of country and residual tariff-rate quotas (in tonnes) 01/07/25 – 30/06/26

Product category	Country	01/07/2025 to 30/09/2025	01/10/2025 to 31/12/2025	01/01/2026 to 31/03/2026	01/04/2026 to 30/06/2026
4	EU	333,545	333,545	326,294	329,919
	Taiwan	34,484	34,484	33,734	34,109
	India	25,468	25,468	24,915	25,192
	Residual	88,075	88,075	86,160	87,117
	15% country cap within residual quota	12,839	12,839	12,839	12,839
	Total	481,572	481,572	471,103	476,337
7	EU	73,240	73,240	71,648	72,444
	Residual	26,137	26,137	25,569	25,853
	20% country cap within residual quota	5,080	5,080	5,080	5,080
	Total	99,377	99,377	97,217	98,297